

Pigs, fish, sheep, birds and sundry rural friends.

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Website wants to buy up family practice.

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"Everyone should be struck by illness once in their lives".

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## Bankers Battle Students

### Letter sparks discussion about flawed loan system

By Xiao Rong

The banker has never been so impressed by a letter from a debtor.

"Of the more than 300 students graduated from Jinan University this year who have borrowed money from our bank, Tan Lihua is the first to inform us of how to contact her," said Wang Luqi, personal banking business manager of Huaiyin Branch of Shandong Construction Bank.

The media were mighty impressed too. Tan's innocuous letter was published in *Life Daily* of Jinan and then *China Youth Daily* picked it up as a front-page story last Thursday.

For a letter that fascinates the mainland media, it is surprisingly dull:

"Please be assured that I will fulfill my duties of paying off the loan. I must confess that it's because of the support of your honorable bank that I have been able to finish my three years' college study. I'm really greatly grateful and will be happy to obey the rules of the bank," wrote Tan.

What makes this headline news is not just that Tan is cute or it's been a rather dull news week. What makes her letter extraordinary is the contrast between her behavior and the bulk of the student population. To the banks' frustration, a growing minority are defaulting on their loans. The default situation might create an education funding crisis.

#### Loans to pay off

"It should be the usual thing for university students to keep in contact with banks as stipulated in the contracts of student loans, but the unexpected attention Tan's story has aroused reveals the credit problems that exist," said Wang.

He said it's common now for students to default on their quarterly interest repayments. Of the more than 500 Jinan University graduates in the last two years, 70-80 didn't pay back the Huaiyin branch on time.

The default rate in Beijing has reached almost 10 percent, according to the Industrial and Commercial Bank of China.

Of the 1,250 graduate students who have entered their repayment period since December 20, 2001, 119 still have not paid off the loan — nearly 10 percent.

The 119, upon graduation, have not informed the bank of their new address.

"We began to operate the national student loan system in July 2000. Of this year's over 50 graduates that borrowed money from our bank, almost half of them are in default on interest repayments. The key problem is that we cannot contact them," said Sun Xiang, of the Beijing Commercial Bank Xuezhai branch.

Of the 426 million yuan in student loans, the Agricultural Bank of China has provided nationwide since 1999, the payback rate has proven less than satisfying.

"The more student loans a local branch provides, the higher the rate of default. This is especially true in the poorer regions," said Chen Xi of the personal banking department.

#### Dilemma

"The main problem with the national student loans is that the banks are not enthusiastic enough about lending more money to the students," said a staff member from the public relations office of the Ministry of Education.

Of the 535,000 students who have applied for loans, 169,000 succeeded: 37 percent.

Chen Xi said banks are not welfare institutions, but commercial organizations that must pursue profit. Providing student loans has presented a predicament to most commercial banks.

"Compared with other personal banking businesses, the loan is not so profitable and requires higher management capital. And once there is bad debt on the student loan, banks must underwrite the losses," said Yang Zhe of the Construction Bank of China.

"As the national student loan wasn't fully launched until 2000, most of the loans have not reached their repayment phases yet, and so the risk of bad debt remains to be seen. The potential risks, demonstrated by students defaulting on their interest repayments, have gradually begun to emerge," said Liu Feng, from the Industrial and Commercial Bank of China.

The biggest risk is tracking graduating students, as they seek jobs around the country, believed Chen.

"The lack of a credit system in our country is the key problem that has brought about the high risks of national student loans," she said.

#### System

"The idea of a national student loan is good," said Tang Min, chief economist of the Asian Development Bank, "aimed at alleviating the educational burden of the nation and making it possible for more people to go to universities by cultivating their self-responsibility and credit awareness. But the whole system needs to be improved."

He suggested a personal credit system for all students receiving loans first be established. Yang Zhe shared Tang's view of the necessity of establishing a national fund. He believed universities should take on more responsibility for keeping contact with graduates and urging them to pay off loans.

"We have started since this year to put the student loan information of a graduate into his records to inform future employers," said Wen Shufeng, vice director of the Student Management Department of Renmin University.

In a Renmin University survey of 1,251 loan-receiving students this year, said Wen, most suggested the four-year loan be deferred to create more flexible repayment options. That would increase on-time repayments, he believed.

"Those who default on loans are only a minority of the whole group for various reasons. I am confident they will fulfill their duty sooner or later," said Tan Lihua.



Bora says bye bye to Beijing.

Photo by Wei Tong

## Team China Coach Bids Fond Farewell

By Chen Ying

Bora has left the building. Dozens of journalists surrounded the VIP waiting room at Beijing Capital International Airport Sunday noon. Bora Milutinovic, former head coach of China's national football team, left Beijing for his Mexican home.

Resigning after China's debacle in the World Cup finals, Milutinovic says he needs to rest now.

"I will go back to Mexico City to spend some time with my family," said the man affectionately known to Chinese as "Milu", "then I will ponder my future."

Having led Mexico, Costa Rica, USA and Nigeria to the second round of the last four World Cups, Milutinovic committed two and half years to assisting China to make its World Cup debut this summer. With star players Sun Jihai and Fan Zhiyi injured early in the tournament, China lost all three group matches and scored no goals. It was not a perfect ending for Milutinovic.

"Generally speaking, I enjoyed myself very much in China. But after the World Cup, I was in a rather bad mood," he said.

In the World Cup assessment of the China Football Association, the Serb's achievements are 60 percent successful, 40 percent failure. His "happy football idea" altered players' psychology. China played very well in the qualifying games last year, it concluded.

Yan Shiduo, vice president of Chinese Football Association, praised Milutinovic for his contribution to Chinese football.

"Mr. Milutinovic completed the main job we asked him to do and steered China into the World Cup finals for the first time," he said. "We'll never forget what he did for China's football."

Before his departure, Milutinovic had to pay more than 3 million yuan in taxes for his salary and TV commercial payments. Some media even argued that participating in too many commercial activities harmed Milutinovic's work.

An official of the Chinese Football Association says the association will make a stricter contract with Milutinovic's successor. But now the debate moves on as to whom can fill the boots of "Milu" — a foreign or a domestic coach. Watch this space.

## Football Authorities Target Official in Bribery Scandal

By Chen Ying

Without the World Cup, Chinese media has refocused on the investigation into match fixing in the Chinese National Football League.

The Ministry of Public Security issued a wanted circular about Sun Peiyan, the former administrative official of Chinese Football Association last week.

People can see Sun's personal information on the ministry's official website. Sun, 37, once worked at the Chinese Football Association about two years, in charge of referee management.

Sun disappeared from the admin-

istration and the media recently. He was suspected of involvement in bribery cases between referees and clubs.

Xuanwu District Police Bureau investigated Sun's case. But the bureau refused to reveal developments.

Match fixing gained administrators' attention because of the results of the last games of the national second division football league last year. In the last four minutes of a match between Zhejiang Lucheng and Changchun Yatai, Changchun scored three goals to secure promotion over rivals Chengdu Wuniu by a goal difference of one goal.

At the end of last year, Li Shufu,

chairman of Guangzhou Geely announced Geely would quit the league because of widespread corruption. At the same time, Song Weiping, chairman of Zhejiang Lucheng said he had collated evidence of club bribery of referees.

"An official of the association, whose surname is Sun, acts as the middle man," said Song. Administrators then focused on Sun Peiyan.

Another case concerning Gong Jianping, the first referee involved in a bribery scandal, is still under investigation in accordance with Xuanwu District People's Court.

EDITOR: LIU FENG DESIGNER: PANG LEI



Policy Forum

## Olympic Village Up for Rent or Auction after 2008 Games

By Yu Jingbo / Shan Jinliang

The main venues for the 2008 Olympics will likely become sites for acrobatics and circus performances as part of the “profit-making budget” put forward by the Beijing City Planning Commission on Monday.

According to the plan, 100,000-square-meters of com-

mercial service facilities will be built in the Olympic Green and the whole Olympic Village will be rented or put up for auction after the Games ends, said Shan Jixiang, director of the Commission.

Shan came up with this plan after inspecting similar venues overseas.

He said in foreign countries,

sports venues are surrounded by commercial facilities, such as sports-oriented bars and hotels that offer special packages for guests to rent rooms that overlook athletic facilities to watch sports events.

In another move to finance the running of the Games, 800,000 square-meters of commercial buildings will be established

within the Olympic Green.

Although the design plan for the Olympic Green has yet to be set, according to the profit-making budget, the 470,000 square-meter Olympic Village will be put up for auction or sold, said Shan. The 400,000-square-meter convention and exhibition center planned to be built in the Village will be further

developed by companies after the Olympics.

Experiences from Beijing’s hosting of the 11th Asian Games in 1990 have been incorporated in the construction and commercial development of the venues, as the commercial development of some of the venues in the Asian Games Village has not gone as well as expected.

## Olympic Design Finalists Named

By Xiao Rong

The final layout of the Olympic Green will be based on a design from the US architectural firm Sasaki Associates, which won first place in the international competition for the design of the Beijing Olympics held on July 14.

Sasaki also won the most votes of support from local residents during the open exhibition of proposed layouts for the Olympic Green and Wukesong Cultural and Sports Center at the Beijing International Convention Center, which closed Monday.

An group of experts from Beijing’s major architectural design think-tank has begun to negotiate with Sasaki’s partners to improve the plan and incorporate the advantages of other prize-winning layouts.

The traffic system of the winning plan needs to be improved to meet the requirements of the 1,135-hectare grounds and neighboring districts, said an official from the municipal planning committee at the open exhibition.

The plan’s use of the city’s scarce water resources has become an issue of dispute.

“It will possibly become a stinking open ditch if there is insufficient water or become stagnant after the 2008 Olympics,” said Lan Tianzhu, director of the planning committee’s Culture, Health and Sports Subcommittee.

“Water is not a problem,” said Shan Jixiang, director of the planning committee, adding the city has reduced the amount of water used for industry and agriculture and increased supplies designated for environmental purposes.

The final blueprint of the Wukesong Cultural and Sports Center will be chosen from among several designs from Sasaki Associates and one plan from Burckhard+Partner AG of Switzerland.

“The detailed layout will be submitted to the municipal government by early September for approval after being evaluated by experts,” said Huang Yan, vice-director of the planning committee.

Huang emphasized that the final layout will be revised on the basis of opinions from city residents. Nearly 50,000 people visited the 14-day free exhibition.

## Project to Restore City’s Historical Treasures

By Zhao Pu

The municipal government will pour 600 million yuan of investment into a newly designed cultural relics preservation project over the next five years, revealed Mei Ninghua, director of Beijing’s Bureau of Cultural Relics, on Tuesday.

The five-year project is aimed at reviving and restoring the historical and cultural pattern and flavor of Beijing. Mei said, “In comparison with past efforts in cultural relics restoration and similar projects we’ve already finished, this project focuses on areas of historical and cultural value rather than single places or sites.”

Instead of honing in on the protection of certain temples or palaces, the main subjects of this plan’s blueprint are over ten areas downtown and in city suburbs. Those areas include “two lines”, “five zones”, and “six scenery belts”, in which there are numerous historical sites that date back hundreds of years.

The “two lines” are the central axis from the Drum Tower in the north to Yongdingmen in the south, and the east-west line from Chaoyangmen to Fuchengmen. The “five zones” are all older urban areas, including areas around the Forbidden City, Shichahai Lake, the Confucius Temple, Liulichang and the remaining Ming city wall.

The “six scenery belts” listed in the plan are imperial gardens in western suburbs, including the Summer Palace and Yuanmingyuan Park, the Great Wall, the Ming Tombs, Yunhe River, Wanping City, and ancient temples in the western part of the city.

“Middle schools, institutions and residents occupying these historical sites will be moved out, and some places will be opened to the public after undergoing restoration,” Mei said.

## Viacom Chief Hopeful about China Market



Xinhua photo

At the invitation of the Information Office of the State Council, Sumner Redstone, chairman and CEO of Viacom Inc., made a speech in the press hall of the State Council with the theme of the world media’s past, present and future, on Tuesday.

(Shan Jinliang)

## Antibiotics Brewing Storm in Dairy Industry

### Dairy associations try to ease public worries about milk quality and avoid industry turmoil

By Shan Jinliang

Nationwide media reports run in July, which said that antibiotics in dairy products may pose a risk to human health, have sparked widespread public concern. The China Milk Industry Association and the China Dairy Industry Association (CDIA) voiced their stances on milk safety, dismissing these reports as the result of an underhanded marketing campaign by one company, in a joint press conference held on Tuesday in Beijing.

Guangming Dairy Corp, the top dairy producer in Shanghai, introduced the concept of “antibiotics-free milk” early this May in printed and TV ads run throughout the country. Beijing-based Sanyuan Group later picked up on the idea and made its

own claims of being the only major domestic milk producer capable of producing 100 percent antibiotics-free milk.

In the final analysis, the move may result in the creation of a ceiling above small and medium-sized dairy producers, which make up 90 percent of the dairy makers in the domestic market, because they cannot provide antibiotic-free products.

Fang Yousheng, secretary general of the China Milk Industry Association, said the antibiotic-free milk promotion has generated worries among many consumers and added that dairy products that contain antibiotics are not as harmful as claimed in some media reports. “I have never heard of anyone dying from consuming dairy products that contain antibiotics,” added Fang.



Beijing-based Sanyuan Group claims it can make 100 percent antibiotics-free milk products.

Photo by Liu Ping

“Unlike mercury, antibiotics do not form permanent deposits in the human body.”

Shen Jinzhong, director of the State Animal Drug Security Appraisal Center, said that antibiotic-free campaign is not scientifically sound, as milk quality is decided by more than 10 indexes including antibiotics content, and some world leading drug producers even make antibiotic drugs for cows.

“It is not accurate to say only several companies can produce antibiotics-free dairy products. More than 40 companies have that capability,” said Fang.

However, according to Song Kungang, president of the council of the CDIA, a larger view of domestic milk production offers a different picture. “There are still few large-scale cow feedlots in China,” he said. “Most cows are raised by individual peasant households, and the raw materials used in dairy factories come from thousands of different households, leading to varied product quality levels.”

Song added that the Chinese Ministry of Agriculture has enacted a ministerial-level regulation that sets a standard for maximum antibiotics content in milk, but “the new standard has only been released for half a year, and it will take quite a long time to fully realize no more use of antibiotics in the dairy industry.”

He stressed that this standard could have major ramifications on the millions of rural people involved in the raising of dairy cows that are not able to produce antibiotics-free milk. “Peasants may be forced to slaughter their cows and return to poverty, which goes against the country’s agricultural strategy.”

## Bureau Moves to Plug Tax Leaks

By Lily Li

Around one third of the foreign companies with offices in Beijing were found to have employees that evaded personal income taxes, announced the Beijing Local Taxation Bureau on July 26.

Figures from the bureau show that 1,100 of the 3,200 Beijing agencies of foreign companies found discrepancies in their employees’ income tax payments in self-inspections conducted before July 15. The offices’ employees paid a total of 63.5 million yuan in income taxes by July 27.

According to Liu Cheng, a senior official of the bureau, the employee income tax self-inspection campaign among foreign enterprises will last until late September.

## Digital TV Programs on Horizon

By Zhang Le

City residents should be able to start viewing digital TV programs by the end of this year, according to an announcement made by the Beijing Radio, Film & TV Group last week. Digital TV broadcasting has already begun in Shenzhen and Shanghai.

Mr. Wang, technical department director from the group, who declined to give his full name said, “There are no technical problems ahead in digital TV program broadcasting.” Through set-top boxes, customers will be able to receive digital signals from current cable networks on any kind of TV set.

China Central Television (CCTV) will launch digital TV programs in October. The company is constructing a trial digital broadcasting framework for its channel CCTV-12, as is BTV-8, run by Beijing Television. Industry analysts predict that one fourth of all national TV stations will send and transfer digital TV signals by 2005.

## Zhongguancun Targets Cheap Offices at Start-ups

By Shan Jinliang

In an attempt to attract small and medium enterprises (SMEs), the Zhongguancun Science Park Managing Committee has made a move to slow the growth of office rental fees.

A nationally celebrated innovation center, Zhongguancun has attracted over 9,000 enterprises, 80% of which are SMEs with 10 to 50 employees. The vigorous economic development of the area has propelled the rise of real estate prices, warding off a number of SMEs looking to settle in Zhongguancun.

According to the Committee, more than 70,000 square meters of economical office buildings will be completed by next April. The offices, developed by Beijing Wanliu Xinxing Real Estate Corp., will be sold for 10,000 to 12,000 yuan per square meter, 20 to 50 percent less than the current prices of comparable office space in the rest of the city.

## China and EU Smooth Way for Legal, Judicial Exchange

By Zhao Hongyi

Two and half years ago, the European Union and China kicked off a 12 million euro legal and judicial training program, the first of its kind in this country. Since then, more than 100 Chinese legal professionals, have communicated and conducted exchanges with their counterparts in EU countries under the program.

“We have to adjust our initiative and improve our project in order to maintain the pace of reform in China’s legal and judicial system,” said Stephen Forbes, European co-director of the EU-China Legal and Judicial Co-operation Program, at the launch of the Director’s Facility, a 3.5 million-euro training project within the program, held in Beijing on Wednesday.

## Dutch Airlines Rep Pleads Innocence in Luggage Dispute

By Shan Jinliang

Beijing Today of July 19 ran a report that a Chinese passenger on a Dutch Royal Airlines flight claimed he was fined for excess luggage after not being fully informed of the airline’s luggage weight limit and filed a lawsuit against the company, but ended up losing the case on July 10.

After the report was published, Dolores Van Dongen, chief representative of Dutch Royal Airlines, called Beijing Today to express her ideas

about the issue.

When Liu Chi, the Chinese passenger, went from Paris to Beijing in March 1999, he was told at the luggage check-in counter that his 50 kilograms of baggage exceeded the maximum of 20 kilograms stated on the ticket. After negotiations, Liu was charged for having excess luggage.

In March 2001, Liu filed a lawsuit with the Beijing Chaoyang District People’s Court, alleging the airline should have informed him of its weight limit

in Chinese. After he lost his first case in August 2001, Liu appealed the case to the Beijing no.2 Intermediate Court, where he lost again.

When asked why only English was used on the ticket, Van Dongen said that is in keeping with international standards. “We use English because it is an international language. Using different languages in different countries would be too complicated,” she said.

Chinese notices are attached to all Dutch Airlines tickets,

but those weight limits are marked in the English abbreviation KG, not the Chinese characters for kilogram, *qianke* or *gongjin*, which is one detail Liu used to support his case.

After the court gave its ruling on the suit, the airline said Liu should be able to recognize KG as meaning kilogram, as he is fluent in English. Liu replied that common Chinese passengers will have to pay a price for not having the language skills to recognize the English term “KG”.



## PetroChina to Add 1,500 Gas Stations

China's largest oil company, PetroChina, will invest US\$360 to \$480 million to add 1,500 gas stations to its retail network this year, a company executive said Monday.

Vice President and chief of refining and marketing Lin Qingshan said that the company, through purchases of existing gas stations and construction of new ones, has already realized 30 to 40 percent of this goal.

As part of the on-going nationwide rectification of gas stations, PetroChina is sorting out its own portfolio according to state requirements. Those that fail to meet the requirements will be closed, Lin said.

## Steel Giant Teams Up with Japanese Firm

Shanghai Baogang Group, China's largest steel producer, reached a cooperation agreement with Mitsui as part of its international cooperation strategy recently.

Under the agreement, cooperation between the Shanghai-based steel giant and its Japanese counterpart will include iron and steel production, raw material procurement, metallurgical equipment, shipping transportation, long and medium-term finance and investment as well as information and logistics.

Baoshan Steel Complex boasts rich resources, diverse product lines and multiple distribution channels. It hopes to acquire advanced management and technological know-how through its cooperation with the Japanese firm.

Following China's entry into the World Trade Organization last year, Baoshan Steel Complex has beefed up international cooperation to sharpen its competitive edge.

In early July, it set up a US\$670 million joint venture with the Australian Hamersley Iron to mine iron ore in Western Australia.

## Huarong AMC Handles More Assets in First Half Year

The China Huarong Asset Management Corporation (Huarong AMC) announced Monday that in the first half of the year it handled non-performing assets worth 7.7 billion yuan (\$936 million), up 24 percent from the same period last year.

A spokesman for Huarong AMC said the corporation recovered 3 billion yuan worth of assets, of which almost 3 billion yuan was in cash, also up 24 percent. At the same time, the rate of the cost of handling these assets was reduced to 2.4 percent.

He said that the Huarong AMC had also made new progress in debt-to-equity swaps and supporting corporate restructuring. So far up to 500 enterprises had signed debt-to-equity swap agreements, involving over 100 billion yuan (\$12 billion), of which 276 enterprises had finished their regrouping, involving some 55.5 billion yuan.

(Xinhua)

## INFORMATION TECHNOLOGY

# Sparkice Closes Internet Bars Board Urges Concentration on B2B

By Yang Xiao

Sparkice, China's first net café chain announced Wednesday that it will close its last bar to concentrate on B2B.

Edward Zeng, CEO of the company recalls the birth of Sparkice Bars. "Till now we experience over five years - China's Internet industry's glorious five years. At that time Internet advocate Infohighway CEO Zhang Shuxin was proud of her company's billboard that read 'how far does China go towards the Info Highway - just 1,500 meters ahead' (pointing toward her office). I thought the distance was still a little longer, so the first Sparkice net café opened just below that billboard on November 15, 1996."

However, Zeng has had to deal with the government's firm hand on net cafés since a fire in a bar on June 16 in Beijing caused 24 deaths. Over 14,000 net bars have been closed during a subsequent crackdown. None of the Sparkice bars passed the government check, except for the one at China World Hotel, however the Sparkice board decided to close that one too.

Zeng said, "I don't think the risk from the government is really big enough to give up the profitable business. For instance, if you drive a car on Beijing's jammed road at rush hour, you have to make your way home or to work. If the policeman is a foreigner who keeps all regulations in mind, there could be a dreadful traffic jam." You have to cater to China's specific circumstances." It seems that conservative shareholders from overseas do not share Zeng's view.

"Personally I think well of the net café business and am willing



"We need to change our slogan from 'thinking globally, drinking locally' to 'thinking globally, doing globally,'" said Zeng.

Photo by Zhuang Jian

to invest in this bar individually. We have invested over 50 million yuan on building the brand. For this bar here, it could make over one million yuan income a year. If you have 300,000 to 500,000 yuan, you can co-operate with me to reopen it in the near future. You know the bar is the sole one which can continue to use the brand 'Sparkice'."

The net café business has brought Zeng fame in the Internet industry, as well as a steady stream of investors. By such means he has accumulated a considerable fortune. With the Internet surge, he considered the bar business that has limited room for imagina-

tion could only make limited money. He needed a profitable business model or even merely one with potential profit. Directed by the idea he invested in popular websites and business models.

Sparkice once held the above-mentioned China's first ISP Info highway. Then he supported an ICP with Beijing Municipal Government background. EC123.net that runs B2C business is Sparkice's third investment direction. Though EC123 possessed the second position during its peak, the board decided to end all three businesses and shift to the more popular B2B model. "Including bar investments, we have spent

400 - 500 million yuan on finding this final and perfect business model. The board has decided to retreat or just maintain some shares in other businesses," claims Zeng.

HSBC supports Sparkice newly launched B2B model. On July 18, highlighting Sparkice's internationalized management team and dealing platform and close relationships with buyers, suppliers and governments, HSBC invested an additional \$5 million in cash in Sparkice, taking its interest from five to ten percent. Through its online services, Sparkice allows business to source and buy consumer products from China-based manu-

facturers. The investment will be directed towards further developing the online trade finance, payments and marine cargo insurance services available on the company's B2B websites.

Zeng is confident about promote the business amounting to 100 million yuan by the end of this year and will make an over eight-fold profit of \$100 million next year. "Although the profit margin goes to six percent that less than bar business, we have a prospective future and a tremendous market valued at \$1 - \$10 billion. Besides, we will gain strongly support from the government for we are improving national export."

## HOME APPLIANCE

# Sincere For How Long?

## China's Most Respected Company Faces Scrutiny

By Zhao Yijiang

Qingdao Haier (SSE: 600690) released its 2002 interim report last Friday. Profit on major business is 931 million yuan, a decline of 16.6 percent on the same period last year, and net profit is 219 million yuan, a fall of 45 percent. The stock market responded negatively to the news, with share prices of the blue chip falling five percent to 12.4 yuan, a two-year-low.

The slump made the leading home appliance maker the heaviest loser on Monday. Investor panic resulted not only from the poor financial report, but also as a result of strong criticism in both domestic and foreign media. The once most respected listed company in China has faced questioning by the media on its diversification strategy, overseas investment and financial status.

### Eggs in too many baskets

In order to counter the increasingly thin margins in China's white-goods market, Haier began expanding its business line to include high-end products such as computers and CDMA mobile phones in recent years. Then there was the foray into financial services, on which it has spent an estimated \$120 million over the past 12 months, mostly to buy shares in mainland securities and banking companies.

The range and diversity of Haier's products has expanded dramatically. In consequence, the company's general market share has increased as well, however, the business expansion has swallowed a considerable amount of resources. Haier is said to be borrowing heavily to pay for its expansion, yet it has failed to break into the top three in market share in any of the new areas.

Many analysts argue that Haier has put its eggs in too many baskets and that it ought to be focusing on its appliances. "Chinese enterprises always want to enter from one industry into another. I think they care too much about their images rather than better performance. A firm should be focused and concentrate on its strong points," said Milton Kotler, of Kotler Marketing Group.

### Aggressive Oversea investment

As for the overseas market, Haier has stressed its target in building an internationalized rather than an export company. Haier CEO Zhang Ruimin once said, "Internationalization is only the approach, while an interna-

tionalized Haier is the ultimate purpose." The company has set up 13 overseas factories in the past six years, including a new refrigerator factory in Camden, South Carolina where labour and other costs are 10 times higher than in China.

Haier's internationalization strategy has demanded internationalization of allocation of resources, in turn driving Haier to inject more resources into the international market, leading to a reduction of resources injected into the domestic market. Meanwhile markets of developed countries matured and became saturated long ago, making profit margins much lower than in developing countries.

When Haier made decisions to go abroad, it is essential that they focus on short-term profits and long-term survival rather than being obsessed over meaningless nationalistic goals like becoming "one of the top global 500 companies" or "the first Chinese company to set up factories in the United States," an analyst of *China Economic Weekly* said.

### Financial enigma

While stock markets in the US tumble because of accounting scandals at major corporations, Haier also has faced questions on sensitive issue. "Internationally, they must have a negative cash flow," says the US consultant. "So they have to have funding from their China operations, but they've been losing market share. Where's the money coming from?"

Moreover, the listed company purchased almost all its raw materials from affiliates of the parent company, and made virtually all its sales to affiliates of the parent. Such transactions make it difficult to evaluate the listed company's financial situation. Analysts are asking if Haier is inflating the profit and revenue numbers of its listed arm by shifting assets between the parent and the subsidiary.

### Response from Haier

Following the spate of negative coverage, Haier has moved into full damage-control mode. Zhang Ruimin claimed to welcome most critical coverage: "We don't respond to most media reports. We just read them and learn from them," he said to *Business Week* in a recent interview. But the company still is not ready to welcome all critical inquiry, particularly when it comes from home. It has just sued a Chinese analyst for defamation and demanded \$36,000 in damages for two articles he published online.



LG China's twin towers "represent our great attention to the market," said Ak, LG Electronics (China) CEO.

Photo by LG

# LG Twin Towers Push Strategy to Localize

By Shan Jinliang

Two 140-meter-high towers will dramatically change the profile of Chang'an Avenue. The twin towers, due for completion in early 2005, will serve as the China headquarters of the Seoul-based LG Group. The foundation-laying ceremony was held last Friday.

On choosing the location, Ro Yong Ak, LG China's highest-ranking manager said, "As everyone would like to build his house in the best place, we choose Chang'an Avenue, the best place in China."

With an investment of US \$400 million, the office complex is modeled closely on the company's South Korean headquarters.

LG says construction of the Beijing twin towers is a symbolic step for its further entry into China. The 34-storey structure will house 12 LG subsidiaries, including LG Chem, LG Electronics, LG International and LG Engineering and Construction.

Ak said from the moment LG entered China, it had been determined to be a locally successful company, and LG China headquarters should be built in the China's political, economic and cultural center.

Ak said the constructions of the twin towers are just the start for LG China's capital expansion, and the company will take China as a base to realize its global market strategy. All LG subsidiaries are taking various means to enhance their investments in China, he added.

As the CEO of LG Electronics (China), Ak said, "Half of what we produce in China feeds the local market, the other half goes abroad."

Against the 27% decline overall of South Korean overseas investment in the first half of 2002, LG Electronics made four increases on its investment in China, bringing the overall figure to \$400 million.

The personnel localization strategy has not run entirely smoothly. According to *Chosun Ilbo*, the largest South Korean newspaper, Chinese university students, as potential future staff, rank South Korean companies number 12 in terms of where they want to work, far below European and North American companies.

Ak said he was optimistic that more Beijing and Tsinghua University students would choose to work for LG following the establishment of LG China headquarters.



# Foreign Firms Invited to Ease Long Headache

## Government opens logistics field to overseas investment and cooperation

**By Zhao Hongyi**

Long troubled by low efficiency and chaos in the domestic logistics services sector, China is determined to overcome the problems by introducing foreign firms on a trial basis.

The Ministry of Foreign Trade and Economic Cooperation (MOFTEC) released a new regulation this week, aiming at promoting cooperation between foreign logistics providers and their Chinese counterparts through joint or cooperative ventures. The regulation lowered the criteria for start-up investment needed for market access to \$5 million, far below the usual requirement of 100 million yuan (approximately \$12 million) for import and export trade companies.

Twenty years ago, the logistics service sector was under a complete state monopoly and plagued by institutional inefficiency.

Considering the huge number of employees working in the sector, both the central and local governments took a wait and see attitude towards any reform and allowed private service providers to emerge.

However, those private firms brought chaos into the industry, with fraud scandals, illegal deals and widespread bribery seriously damaging the reputation of the sector.

The rapid growth of the domestic economy has increased demand for sophisticated, large-scale logistics providers. In particular, there is serious need for logistics services that meet international standards in China's over-\$400 billion import and export industry.

The new regulation asks foreign logistics service providers to work with their Chinese partners through joint ventures

and cooperative ventures that can operate on a trial basis in the cities of Beijing, Shanghai, Tianjin and Guangzhou and Zhejiang, Jiangsu and Guangdong provinces. Overseas investors are limited to a maximum of 50 percent stake in joint companies, with renewable initial operational terms of 20 years.

The Chinese government classifies logistics services into the category of import and export business, according to MOFTEC officials.

Annual nationwide expenditures on logistics services and related sectors have reached 1.9 trillion yuan and are growing by 20 percent each year, according to a report issued last year by the China Warehouse and Storage Association, the national coordinator for the development of the sector. Though many domestic enterprises have their own logistics systems

in China, the report stressed that, "Independent logistics providers are a must for the modernization of the country's logistics services."

Industry analysts say many overseas logistics firms have already arrived in the last decade, either cooperating with domestic companies or operating independently.

"However, China's logistics market is still in its preliminary growth stages, where you can see hundreds of providers competing against each other, low efficiency and a lack of reliability," said Yu Shiyou, a logistics analyst and professor at Zhongshan University in Guangzhou, Guangdong province.

He added, "Foreign firms have capital and management skills, while domestic firms have nationwide networks. Therefore, neither wants to operate independently. Cooperation is the only way to go."

# Phillips Petroleum Exploring Coalbed Methane

**By Zhang Xiaoxia**

US-based Phillips Petroleum, through its branch in China, signed two production sharing contracts on Monday with China United Coalbed Methane Corporation for the Qinann and Shouyang coalbed methane blocks in western China's Shanxi province.

Drilling is expected to begin in September, after which Phillips Petroleum will carry out multi-well exploration for six months.

Phillips Petroleum has been involved in coalbed methane exploration in Shanxi for the past six years, discovering several fields with commercial deposits. These two blocks are the first for which the US oil company has obtained commercial coalbed methane exploration rights.

Phillips Petroleum arrived in China in 1973 and currently operates two offshore oilfields in the country - one in the Bohai Bay and the other in the South China Sea. The company is moving forward in trial coalbed methane exploration in a five-well pilot project on the Hedong Lin-Xing block in the Ordos Basin in Inner Mongolia.

"Offshore oil and coalbed methane exploration are currently the two major parts of our business in China," said Truddy Liao, a media officer at Philips China. "The company certainly hopes for more access in terms of energy resources exploration in China. We are heading in that direction."



Photo provided by Baosteel

# French SG Asset to Launch Fund Management

**By A Yi**

On July 23, France's SG Asset Management signed a joint venture agreement with Shanghai-based Baosteel Fortune Trust & Investment to set up a fund management company in Shanghai, China's business hub. The new company will be named Fortune SGAM Fund Management.

The French side will hold a 33% stake in the venture and the Chinese side a 67% stake. SG Asset Management holds the rights to increase its share to 49% through capital injection once necessary regulations are in place. The new company is aimed to enter operation in 2003, following the receipt of approval by Chinese authorities and the completion of its internal framework.

Baosteel Fortune Trust & Investment, an affiliate of the Shanghai-based Baoshan Steel Group, China's no. 1 steel producer, is at the vanguard of the group's diversification into the commercial and financial arenas.

SG Asset Management is a subsidiary of the French Soci t  G n rale Group. With over 272 million euros of assets and a product range made up of 1,500 investment funds, SGAM is one of world leaders in its field.

The Soci t  G n rale Group has been operating in China from a representative office in Beijing for more than a decade. The group is awaiting approval from the Chinese government to offer individual domestic currency services and is presently engaged in corporate and investment banking.



Nestle China launches sales promotion from time to time in the city for its cool drinks and products. Photo provided by Nestle China

# Nestle to Dish Up Breakfast

**By Zhao Hongyi**

Nestle, the Swiss food and drink product giant, will offer its complete line of breakfast cereals and snack foods to consumers in Beijing, announced sources from Beijing Malan Noodle Fast Food China Store earlier this week.

Chen Shi, chairman of Malan, said both companies are eager to enter the breakfast market as early as possible and signed a cooperative agreement last week in Beijing.

Following complaints by city residents about the low sanitation and quality levels of the city's commercial breakfast products and services, the municipal government invited major food service companies to provide clean, healthy and competitively priced breakfast services last September. Authorities are aiming to elbow small, individual and poor-quality providers out of the market. After nine months of preparations, five Chinese food service companies won the rights to operate breakfast outlets in the capital through open bidding. Malan, a food chain store

group from western China's Lanzhou, is one of the five contract winners (see the "breakfast project story" in *Beijing Today* of July 5). Malan has operated for a decade in Beijing, expanding greatly and becoming popular among city residents.

Chen said Nestle will provide Malan with management skills and technical support for the assembly-line production of traditional Chinese breakfast foods. It will design western style snacks adapted to Chinese tastes and provide its drinks at Malan's breakfast outlets throughout the city, which are expected to number 500, with an additional 1,000 kiosks, in five years.

Nestle entered the China market in the early 1980s. Aside from coffee products, Nestle also promotes its drink brands like Nestle Lemon, Nestle Orange, Nestle Coco, and Nestle milk. In recent years, Nestle has focused on the promotion of its drinking water products.

Nestle's China office in Beijing confirmed their contacts with

Malan, saying everything is still under discussion.

"We have our own snacks, including breakfast cereals," said a media officer of Nestle China who requested anonymity. "It is possible that Malan will purchase Nestle's breakfast cereals for sale at its outlets in the city."

Malan's Chen told *Beijing Today* that the Chia Tai Group, an agricultural conglomerate from Thailand, is also interested in pursuing cooperation. Chia Tai has operated in China's poultry feed, seed, pesticide and fertilizer markets for more than two decades.

The hundreds of McDonalds and KFC outlets in Beijing and Shanghai started breakfast services featuring typical Chinese dishes this week. Local consumers are expecting "breakfast competition" between Chinese providers and foreign brands, which they hope will allow them to get healthy, hearty and reasonably-priced breakfasts each morning before heading to work or school.

# Race Horses Greet New Audi Wagon

**By A Yi**

Elegant race horses trotted around the Goldenrod Motor Club last Friday as part of the Beijing release ceremony for Audi's new four-wheel drive wagon that is based on the A6 Avant platform and equipped with a 2.7 litre V6 turbo engine and Audi's Quattro driving system. The car will carry a price tag of 800,000 yuan in the domestic market.

Audi has cooperated with China's First Automobile Works in Changchun, Jilin Province, since its arrival in

China in the early 1980s. The two companies cooperate in the production of Audi's A6 series of luxury sedans. Audi has also introduced its A8, A4 and TT series cars in China.

At the ceremony, Audi China revealed it sold 16,000 Audi sedans, including both imported and locally-produced models, in China in the first half of this year.

"We have established more than 50 exclusive Audi sales and exhibition halls in 32 cities in China," said Kevin Marc, general manager of Audi China.



Xinhua Photo

# B&Q, Auchan Make Move to Capital

**By Xiao Ma**

Two European supermarket retailers headed to Beijing this week following successful landings in the Shanghai market.

B&Q, a UK-based home and garden furniture retailer known for its do-it-yourself sales style, signed a contract last Saturday with Beijing-based Guotu Logistics to rent a 22,000-square-meter venue at Guotu's Golden Seasons Purchasing Center in the northwest of the city for 40 years.

B&Q opened its first warehouse shopping center in China in Shanghai last year.

Bill Whiting, B&Q's chief executive officer, said the retailer, together with its parent company, Kingfisher, purchase around \$1 billion of construction materials, hardware tools and home appliances from China each year and distribute the products for sales in its over 3,000 outlets worldwide.

The second entrant in the local market is Auchan, a France-based daily use products retailer that has signed an agreement to rent another 20,000-square-meter area from Guotu.

Auchan arrived in Shanghai in 1999 and owns two warehouse shopping centers in the city. In China's Taiwan, the company has also set up two supermarkets and operates 18 markets in cooperation with RT Mart, a local retail group.

# Hong Kongese Filing into Mainland

**By Xiao Ma**

More than 176,000 Hong Kong citizens are working under contract in the Chinese mainland, according to figures collected by the Census and Statistics Department of the Hong Kong Special Administrative Region this month.

The number of Hong Kongese in the Chinese mainland has spiked in the past five years, following the reunification of the former British colony in 1997. Most Hong Kong citizens in the mainland work as senior managers and professional technicians, primarily in the wholesale, retail, import and export, hotel and restaurant and manufacturing industries.

# Microsoft Starts Hardware Sales

**By Xiao Ma**

Microsoft, the global software giant, launched sales of 14 computer hardware products in China yesterday in Beijing.

The 14 products include five types of keyboards, four kinds of mice and five computer game accessories.

All the products have unique designs, the patent rights for which are held by Microsoft. Their prices in the domestic market are the same as in other markets around the world.

Microsoft promoted its TV-top e-box products in China three years ago to limited success. The company then changed its focus to the construction of a sales network for its hardware products.

"We have successfully established a network and are now starting to use it," said Zhou Hui, Microsoft China's senior manager for hardware sales promotion.

According to Zhou, Microsoft will manufacture some hardware products in China.



## That Menu in Full

## Cold dishes

spicy duck (桂花鸭子)  
spiced chicken (油鸡)  
mushroom with walnut and sesame oil (桃仁冬菇)  
winter bamboo shoots with shrimp roe (虾子冬笋)  
cucumber with salt and sesame oil (油吃黄瓜龙)  
spicy fish (五香腌鱼)  
pork jelly Zhenjiang style (镇江肴肉)  
fruit (水果)

## Hot dishes

stewed shark's fin with chicken sauce in a jar (银盅鱼翅)  
stewed mixed seafood in chicken sauce (罐焖四宝)  
sauteed prawn with red sauce (干烧大虾)  
steamed chicken with mushrooms (草菇蒸鸡)  
sauteed vegetables and mushrooms (鲜蘑菜心)  
braised perch in brown sauce (红烧鲈鱼)  
steamed pork balls (清炖狮子头)

## Pastries

deep-fried spring roll (炸春卷)  
steamed dumpling stuffed with mashed red beans (豆沙包)  
steamed dumpling stuffed with meat and vegetables (菜肉烧卖)  
steamed Chinese bread (千层油糕)

## National Banquet Makes Comeback

By Su Wei

People bought 800 yuan, 1,000 yuan, 1,600 yuan and 1,800 yuan tickets to taste the same dishes that Mao Zedong, Liu Shaoqi, Zhou Enlai and other leaders ate on the night of October 1, 1949 at the Beijing Hotel on Sunday.

"Celebrities and officials from foreign embassies" and "some ordinary people" from Tianjin, Shenyang, Inner Mongolia and Anhui attended the four-hour feast at the Banquet Hall of Building C, said Liu Zhijun, general manager of Beijing Attire & Evening Banquet Cultural Commu-

nication Center.

His revived banquet attracted 420 guests and will now take place every Saturday evening.

"The only pity is some people complained about the small noise caused by using knives and forks, and the dishes were not so hot," he said.

"Plus some people refused the invitation to dance the international standard dance with the professional dancers, as they did not know how to dance."

The banquet had included an "international standard dance and attire show" plus dancing and singing performance by the Chi-

na National Singing &amp; Dancing Group.

"I noticed most of women wore qipao or formal uniforms," said Liu. He had previously stated his hope that all guests would wear evening dress.

"I think women wearing evening dress can show their strikingly elegant and graceful bearing," said Liu.

The men, he said, mostly wore traditional Tang-style suits or the old blue Sun Yatsen suits.

Liu also conceded there are few occasions in China for people to wear evening dress and few stores that sell it.



Beijingers bake under the sun in Sanlitun on Wednesday last week.

Photo by Qu Liyan

## Masses Huddle in Line for Affordable Houses

By Lily Li

More than 1,500 Beijingers stood for three days in a 500-meter-long line from South Sanlitun Lu to Guandongdian Jie.

Mrs. Xing stood in line with her husband for four days to be first on Saturday, according to *Beijing Youth Daily*.

"It rained and it shone in turn these last few days," she told the paper. "But it's all worth it for a chance to choose my favorite house."

Each customer took a number and handed in a 30,000 yuan deposit for a chance to obtain a special category economy house.

In Beijing's bizarre real estate market, there are four categories: foreigner housing, commodity, second-hand and economy housing. "Economically-affordable housing" means, according to *China Daily*, "Housing built on land allocated by local governments and enjoys more favorable treatment including reductions or exemptions of taxes and fees. It is designed for medium and low-income families."

The houses on sale on Saturday cost 3,180 yuan per square meter. "It's cheap! I can save at least 80,000 yuan on an 80-square-meter house," a Ms. Wu told *Beijing Youth Daily*. A worker in a food factory, Wu said, "All the people in my home are ordinary workers and 80,000 yuan is no small amount."

"Our company made 30 million yuan on the first day," said Zheng Lei, another manager in the planning department of Beijing Zhu Zong Group, developers of the affordable housing.



Chrispian Euler of ARD German Television interviews a "bangye".

Photo by Cui Hao

## Media Attracting Media Attracts Media Focus

By Su Wei

Words like "grandpa shoulder", "topless man" and "bangye" recently appear in some foreign media reports such as the Associated Press, Reuters, ARD German Television and Le Monde, France.

All these words refer to the Beijing men with bellies bared, known by their nickname: "bangye" or "bare-chested masters".

ARD German Television correspondents Axei Sommerfeid, Uwe Schwering and Chrispian Euler spent the whole morning of July 27 taking part in *Beijing Youth Daily's* free T-shirt giveaway to the shirtless knights of Beijing.

According to Yang Tao, a *Beijing Youth Daily* reporter, the foreign media is very interested in whether they will don a shirt for the 2008 Olympics.

"Most of the interviewed Beijingers including the bare-chested masters say, 'Putting on a shirt has nothing to do with the Olympics,'" says Yang.



Workers move heavy stones for the China Beijing 2002 City Statuary Expo.

Photo by Yang Zhanghuai

## Sculptors Ready for Rock

By Zhang Le

More than 80 sculptors from 34 countries will create 230 sculptures at Yuquan Park next month.

Stones, some tens of tons, have been transported to the northwest Beijing park and cut into different sizes to meet sculptors' needs at the China Beijing 2002 City Statuary Expo on September 7.

The sculptors and their works are chosen from 800 sculptors from 62 countries who applied to attend the fair. When the expo ends, 120 pieces will remain permanently, according to the Capital City Statuary Art Commission and Beijing Municipal Planning Bureau.



Photo by Jia Ting

## Wedding Bubbles

By Zhang Le

Nearly 100 friends, relatives, a sand tiger and a gray tawny nurse shark watched a diver present the couple with wedding rings and a marriage licence sealed in plastic film.

Mammals blocked the motorized walkway at Blue Zoo aquarium to

cheer the two lovers as they exchanged rings and fluids underwater Tuesday morning last week.

Zhong Sheng and Shi Yun, both 29, are both from Hebei Langfang Tobacco Bureau Beijing Office. The bride cannot swim. Asked why she went for the subaqua ceremony op-

tion, Shi said, "This is novel and modern. We don't like to do everything traditionally, especially for such an important event."

"And I'm sure we'll own the most beautiful memories about our wedding."

Zhu Siying, manager of Blue Zoo

at the south gate of Worker's Stadium, said it was the first diving wedding in Beijing.

"This wedding costs no more than 10,000 yuan," she said. "That's a whole lot cheaper than a Chinese traditional wedding when you think about it."

## Restaurant Promotes Beer Garden Brainchild

By Su Wei

Sales at the garden have totaled between 2,000 and 4,000 yuan a night during the last two weeks.

"To be frank, the 2,000 yuan is merely the price of one formal meal at Quanjude," says Zhu Ruibo, manager of Jingxin Quanjude Roast Duck.

But Zhu is satisfied with his idea that the 138-year old Peking Duck producer and seller set up a beer garden. In his opinion, selling roast duck at a beer garden is a useful promotional strategy to attract more consumers to the real restaurant.

"People can hardly resist the temptation to have a delicious roast duck inside, after testing the well prepared roast duck at the garden," he said.

Most visitors spend less than 20 yuan a night at Jingxin Square near Sanyuanqiao, Quanjude.

They choose Sichuan noodles with peppery sauce (四川凉面), mini hotpot (麻辣烫), boiled pea-



People enjoy low priced food at the beer garden.

Photo by Qu Liyan

nut (煮花生) or young soybean (煮毛豆). But the customers don't seem to notice Quanjude's special dishes by now — boiled salt duck liver or roast duck liver brochette at 1-5 yuan a dish. The Quanjude garden also offers a quarter of a roast duck for 18 yuan.

## Guards Catch Her Red-Footed at Carrefour Cashier

By Yan Su/Ivy Zhang

A fleet-footed shoplifter was sentenced to three years in prison last week by Haidian People's Court.

Luo Sumei, 32, pinched a Philips stereo, three fax machines, frozen dumplings, Cadbury's chocolate and 2,300 yuan worth of fish from the Carrefour Fangyan supermarket at Baishiqiao near the Capital Gymnasium in Haidian district, Beijing October 20-23 last year.

"I saw someone kicking stuff through the cashier area. And nobody caught them. I wanted to give it a try myself," said Luo, who alleges she is a university graduate from the Guangxi Zhuang Autonomous Region.

Luo on October 20 picked up the stereo and a fax machine on the first floor, stripped off the bar

codes and placed them in two shopping baskets and then into the shopping cart.

Luo selected some clothes and put them on top of the baskets in the cart. Approaching the cashier, Luo unloaded the baskets and put them on the ground.

As she pushed the cart through the cashier aisle, she also kicked through the two baskets. The alarm system does not function lower than waist-height. Luo succeeded in her first try. She went back the next day and stole frozen dumplings, fish and Cadbury's chocolate bars. Luo stole another two fax machines and large amount of cosmetics two days later.

Security guards caught her at her third attempt. "This is the first time we heard of this kind of a theft," said a court spokesman.



# Please Say 'Yes'

## Reformed ex-con hopes employers will give him another chance

By Chen Ying

Despite having been turned down by more than 1,000 possible employers of all kinds in the past two years, Feng Yu (pseudonym), 28, still insists on telling the truth during interviews — he was sentenced to one year in prison for fraud.

That one year explains why his abilities have been overlooked and he remains unemployed.

After finishing a four-year stint as a soldier, Feng, from Linshui, Sichuan Province, worked at a furniture factory in Shunde, Guangdong Province, beginning in 1997. At the factory, he learned a lot about furniture and interior decoration. With 12,000 yuan in his pocket, Feng returned to his hometown a year later. He opened the Shijifeng (Century Storm) decoration material company with three friends in the Majiayan Decoration Material Market in Chongqing in November 1998.

In August 1999, he met a girl studying in a local military college. To woo her, Feng claimed to be the college's drillmaster and wore a borrowed army uniform to prove his status. He was quickly revealed as an impostor and sentenced to one year in jail for impersonating an officer in November 1999. Without the benefit of his advice, his partners ended up folding their company shortly after.

Feng was set free on September 26, 2000, and given three documents — the procuratorate's criminal indictment, the court's criminal judgment and his prisoner's release certificate.

He felt terribly guilty about his wrongdoing, especially in front of his parents, and swore to "never cheat others again, even if it means I have to starve to death."

The day after his release, Feng went to an employment market in Yuzhong District of Chongqing to look for a job.

Feng told the manager of a garment factory that he once went to jail because of fraud and showed his three documents to the manager after the employer agreed to give him a job. Then the manager flatly turned him down. "If you're such a good con-man, why do you need to work in a factory?" he asked Feng after Feng begged him for a job.

Feng was refused five times that day. The next day, Feng went to another employment market. "Someone in this world will accept me," he thought, but he left disappointed. He met about 50 employers in a month, after which he was no closer to being gainfully employed.

October 22, 2000, a local real estate company decided to give Feng a chance after hearing his story. However, the company had its own ulterior motives. The company arranged for Feng to publicly read a letter management had composed that supposedly showed his thanks to the company and pleasure with his new job. He was shocked when he overheard conversations between his colleagues in which they said he would be let go as soon as the novelty of his story had passed. Five months later, he was dismissed.

Now Feng lives in an unused kitchen in the apartment of one of his middle school classmates, but may have to move out. He scrambles to find a new job during the day everyday, then



Feng Yu

Photos by Jin Yi

goes to a dock for unloading work from 8pm to 2am, where he earns ten yuan an evening. Each month, he sends 100 yuan back home to his parents.

Yet, Feng has not lost faith that he will find a job in the future. After his story was picked up by local media and *Beijing Youth Daily*, some newspapers have expressed doubts about Feng's real intentions. This Wednesday, his job at the dock fell through. "I don't know where my breakfast will come from tomorrow," said Feng.

Is Feng's stubborn honesty commendable or naive? Should employers accept him? Opinions follow:

### Feng Yu

Released prisoners shouldn't hide their experiences from potential employers, according to article 100 of the Criminal Law. Am I wrong to abide by the law? It's said that if you do well to others, others will do well to you. Why is that not the case for me?

In the past two years, I have never stopped looking for a job. At the beginning, I just wanted a position appropriate for me. But gradually, I changed my mind. I hope people will be touched by my actions. No matter what an employer's attitude is, I always tell them, 'please understand released prisoners like me. Give us a chance and keep us away from crime.'

In the future, I may start sending letters to companies that refuse to employ me. I'll say something like, 'thank you for refusing me. Your refusal is the price of my mistake. But is it right for people not to show tolerance to others?'

### Li Jian, private entrepreneur

I think I would employ him. Ev-

eryone makes mistakes, but that doesn't mean they don't learn or change afterwards. People should give others opportunities to right their wrongs. I can't imagine what would happen if society refuses to accept all released prisoners.

If employers are truly concerned about these people's behavior, they can deal with it by carefully arranging their work duties. For instance, for a person jailed for bribery, an employer can put them in a position where they would not handle money. For a person put in jail for fighting and who has a bad temper, an employer can put them in a role with limited client contact.

### Employee of the China Academy of Sciences Talent Communication and Development Center, who requested anonymity

An interviewee's criminal record should not be an excuse for an employer to not give him or her a job. Employers should pay more attention to interviewees' abilities. What they should really care about is whether a person has the qualities or skills to do the job at hand. Personally, I think I'd employ an interviewee if the person had talent and was industrious. What a person has done in the past is history, it has no relationship with his or her future performance.

It's stupid to judge a person only through one case, and proves how close-minded some employers are. Feng should not regret not getting a chance to work for such people. I believe everyone can get paid if they make efforts to contribute to society.

### Kelly Scott Morris, Deputy General Manager of Beijing Office, CB Richard Ellis Property Consultants Ltd., Shanghai

It is commendable that people who have spent time in prison would want to reenter society and become productive citizens.

Although I do not speak for my industry as a whole, the problems with hiring former prisoners in my industry is that my industry sells a service directly attributable to the individual selling the service. Therefore, the knowledge, trust, and reliability of the individual go a long way to assuring the client that they should use our service. A prison record might undermine that assurance. I am not saying that people in my industry would not hire former prisoners. It is certainly possible. However, those individuals would have to be extremely special.

In my opinion, just-released prisoners would most likely have better opportunities working in industries that provide products, not services, since they would not have direct interaction with the final client.

I have known some former prisoners that have been better individuals as a whole than some acquaintances I know that have never been to prison. That is not the problem. The problem comes down to how clients in my industry would interact with these former prisoners and the sense of comfort that they would have in doing so.

## FEEDBACK



## Right There Waiting...for Me?

By Chen Ying

An article published in last week's *Beijing Today* regarding young people's standards in choosing life partners, in particular opinions expressed by one young man, has sparked a wide debate among our readers.

In the article, which covered a survey conducted by China Mainland Marketing Research Company, Wu Guohua said about his ideal spouse, "She should never complain about me coming home late, but wait at home and have dinner ready when I get back. She shouldn't mind it when I lose my temper or use rude words, and instead comfort me and help me calm down."

His words may reflect the views of some Chinese men about what they want from a partner, but have also been criticized as chauvinistic and archaic. They have also raised the question of how partners should spend their time together. Opinions follow:

### Frank Ning,

male, 29, single

This guy doesn't understand how to deal with the relationship between partners. Family means two people enjoying their lives together. His dream shouldn't be considered as a genuine marriage. For me, I'd go out with my partner if others invited me out for fun. Otherwise, I'd rather stay at home with her.

I also don't think this represents Chinese traditional ideas about marriage. It's true the bride and groom couldn't meet each other until they got married in ancient China, but what Wu said has never been the core of family life.

### Xu Sun,

female, 28, single

Wu is too selfish. I suggest he hire a maid. I can accept women being in charge of most of household chores, since wives and husbands play different roles in families. But that doesn't mean women need to wait for their husbands to come home like he wants.

Partners should have their own space and privacy. I prefer to hang out with my friends alone if they don't know my partner very well. He is the same. In other cases, we go out together.

### Zhang Li,

male, 39, married 14 years

Wu's ideas are simply not practi-

cal. It's unreasonable and unfair to demand your partner obey you completely. Partners should understand and adapt to each other. In daily life, it's very important for partners to cooperate above and beyond their emotional communication.

Partners should respect each other. I don't think anyone would want to live with someone they don't respect or who doesn't respect them.

### Zheng Yu, female, 44, married 20 years, employee at the Heping Hongqiao Marriage Introduction Company

In my work, I meet lots of young people. Most of them don't have such requirements when looking for a partner. Wu's family environment or education background may explain his opinion. Traditionally, Chinese women are good wives and mothers. I'm not surprised to hear Wu's ideas and I don't think what he wants is extreme.

Today, mutual feelings are the things keeping most young people in their partner relationships. People in love can overlook their partners' shortcomings or character flaws. But when the emotion fades, they'll break up.

The key lies in what you're looking for. You can abandon the family concept and just work hard if all you want is to earn a lot of money. If you care about emotions, then you should put much more energy and time into managing your feelings. If you really love your partner, should act patiently and responsibly towards him or her. Communication between partners is crucial.

### Tracy Driscoll, female, 31, married

Well let's just say that I'm glad times have changed. In cities today I don't think there are many women who would want to meet Wu's standards. I think in the modern relationship, partners are more equal in their roles since both husband and wife are usually working.

On the other hand, if Wu treats his wife in a similar way as he has described then they would probably have a very harmonious marriage. Both partners in a relationship need to understand the demands on the other, to allow anger when it is necessary but know how to make your partner feel better, and to cook when the other is too busy!

## SOUND BITES

"Surnames are not just a part of the culture. They relate to the origin of the Chinese people, the distribution of genetic resources, the ancestry of millions of overseas Chinese, and even the reunification of the motherland."

— Yuan Yida, a scholar at the Institute of Genetics and Development Biology under the Chinese Academy of Sciences, who added Li, Wang, Zhang are the most common surnames in China

"Now is the time to change the traditional ideology of sexual avoidance and to give up unsophisticated teaching methods which simply preached moral standards."

— Liu Hanbin, deputy director of the Family Planning Association of China, regarding the publishing of sex education textbooks for Beijing mid-

### dle school students and their parents

"If we participate in Saddam's departure, what are our responsibilities the day after? In short, we need to weigh the risks of action versus the risks of inaction."

— Joseph Biden, the chairman of the US Senate Foreign Relations Committee

"This lawsuit is intended to question the conscience of Japan as a whole. If you admit that you have done something wrong, you should apologize."

— Yoshio Shinozuka, a veteran of the top-secret Unit 731, calling on the Japanese government to apologize for testing biological weapons on thousands of Chinese prisoners in advance of a legal ruling in Japan on the activities of a germ warfare unit during World War II

By Chen Ying



# Reform & Development → Smoke & Mirrors?

## State company bosses blame regulations for their failures

By Su Wei

Struggling to reform and develop remains a headache for most state companies despite 23 years of reform and development.

In spite of absorbing more than 800 billion yuan in national capital, state companies seem to be losing the ability to compete — especially with private or collective companies.

The Economics Research Institute of the State Bureau for Internal Trade surveyed “100 key SOEs” — that is, state companies with capital of more than 10 million yuan each. The survey uncovered the following familiar facts:

### System

The number one reason for failure cited by surveyed companies is bureaucracy. More than 60 percent say overlapping functions of different departments hinders their development.

Indeed, if the surveyed companies are right, then the establishment and development of a market economic system with Chinese characteristics remains locked in the cradle.

The laws need to be adjusted to induce economic reform. For example, China Petroleum and Chemical Construction Group is the parent company of China Petroleum and Chemical Construction Company (CPCC), and holds most of the shares.

CPCC, as a company under complete state control, does not need a board of directors in reality.

But Corporation Law regulates a company must have a registered shareholder and a board of directors to carry out its business.

Deputy Director of the Enterprises Department of the Ministry of Foreign Trade and Economic Cooperation Liu Dongsheng, says, “There is overlapping among different governmental administrative sectors.” The State Economic and Trade Commission has power of approval and the Ministry of Finance receives profits and taxation.

“But the industrial association has the power of personnel arrangement. It brings a certain kind of chaos to all company operations.”

### Funds

Funds shortages (39 percent) and redundancies (39 percent) are listed as equal second reasons for company development failure, especially in research and development.

Companies are more concerned about the results brought out by layoffs.

“If these people leave the factory, we are naturally asked to hand over more taxes to help local government to reallocate these people to return to society,” says a textile factory chief from Shanghai, who declined to give his name.

Anonymously, they all complain that the government focuses on taxes and in return, offers little or no financial support.

Taking the textile company in Shanghai as an example, both local and central government even stopped allocating funds as it was felt the company would go bankrupt.

In fact, the company began to make a profit. On this, the government charged twice its usual tax.

“I cannot understand it, but have to accept the facts,” says the boss.

“Why should we still hand in part of the profits even when the government has not invested in our reconstruction?”

### Government interference

More than 71 percent of company chiefs point out they have no choice when government assigns them a partner during the group merger process.

Some government officials treat reorganization as a cosmetic gesture, says Zhang Yusheng, head of a state glass manufacturing company in Beijing.

The companies are not designated the power to choose partners, when to begin or how the process works.

“Merging the entities into one group is just like a story from Peking Opera, in which every family is busy finding a young person to marry their daughter or

Chinese media who have published the survey results.

### Own goals

More than 50 percent of researched companies reveal they made mistakes in merger. Mistakes are usually made by companies in traditional industries. “The larger, the better” is sometimes a dangerous maxim.

Normal operational activities are suspended as companies become embroiled in relations with other companies within the same group. For some, the merger only complicates matters, especially with auditing.

Li Guoliang, chief of an animal feed group in Shanghai says even inter-group borrowing and lending requires reporting to a higher level.

“It seems as if the government does not believe we are able to conduct our business honestly, as if we were cheating to profit ourselves.”

### Incentives

Only 27 percent of the surveyed companies adopted stock options as incentives to senior managers and employees, with 51 percent supplying salary incentives.

About 18 percent say they will never consider stock options. It seems their thinking is that a salary is something tangible.

Salary incentives, especially those awarded publicly, more easily satisfy people's desire for recognition and acceptance.

The unpopularity of stock options and ownership may also stem from the decision-makers of state companies treating the company as their private property.

They may fear such incentives would result in loss of control.

‘It seems as if the government does not believe we are able to conduct our business honestly, as if we were cheating to profit ourselves.’  
— Li Guoliang

son without considering their looks or marital abilities” is the collective stated opinion of these companies, according to

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# Movie Star Arrested for Tax Evasion



Two times winner of the Baihua Best Actress Award Liu Xiaoqing



Tax bureau officials check Liu's corporate account books. She is suspected of evading tens of thousands of yuan in taxes.

By Ivy Zhang

Well-known actress Liu Xiaoqing has been locked up at "a certain detainment center affiliated to Beijing Public Security Bureau," a spokesman from Beijing Public Security Bureau stated this Tuesday.

Charged with tax evasion, the 52-year-old "movie queen" of the 1980s, was arrested last Wednesday. If convicted, she faces up to seven years in prison.

The Beijing Taxation Bureau alleges that Beijing Xiaoqing Culture and Art (BXCA), a company of which Liu is the legal representative, has evaded taxes by means of falsifying account books, understating revenue and overstating expenses since 1996. According to the bureau, the total figure owing stands at tens of million yuan.

On May 9 this year, the taxation bureau confiscated two million yuan from the company's bank account and since then has been taking steps to collect the remaining outstanding amount.

## Liu and her companies

Liu Xiaoqing, born in 1951 in Sichuan Province is the only Chinese actress to have twice won the Baihua Best Actress Award, the top national movie award, in 1980 and 1988.

In the early 1990's, Liu started making the transition from movie star to business mogul. She now runs several companies under her name, including Liu Xiaoqing Industrial Development Corporation, Beijing Xiaoqing Culture and Art, Liu Xiaoqing Movie and Television Production Center and Beijing Xiaoqing Jingdian Advertising Company. The business scope of theses companies ranges from real estate, education

to movies and television.

In 1996, Liu started BXCA with an investment of 500,000 yuan. She assumed the role of president, while her brother-in-law Jing Jun, who was arrested on May 30 on charges of tax evasion, served as the general manager.

BXCA has produced three movies and the television series, *Burning Epang Palace* (火烧阿房宫) in which Liu played three roles, *Royal Sister Tian Guihua* (皇嫂田桂花) for which Liu was executive director, and *Fire Phoenix* (火凤凰) in which Liu played five roles.

At the beginning of May, after the company's bank accounts were frozen, Liu admitted to the press that the company was paralyzed. She said she was penniless and had no personal bank account. All the money she earned from performing went into the corporate account. "Anyway," she said, "it's all mine."

According to the *Beijing Star Daily*, all the economic activities of Liu's companies are now under the control of related authorities.

## Liu's plan in jail

Liu's home, a European style villa in Changping Rose Garden, is just 10 kilometers from the Beijing Detainment Center where she is now being held.

The 500-square-meter villa is worth more than 5 million yuan. Her gray Lexus is still parked outside the house, according to a *Beijing Star Daily* report.

Liu's arrest is unlikely to have come as a surprise. "She told me 'if I'm jailed, I'll do three things,'" an acquaintance of Liu's, a Mr. Chen, told *Huashang News* after her arrest.

"She said 'we'll use whatever we have in the company to pay the taxes

we owe. If the accumulated capital cannot cover it, I'll have to go to jail,'" Chen said.

Liu told Chen that she has consulted with a lawyer who told her she might face three to seven years in prison. She said she had prepared herself for life in jail. The three things she would do are studying English, exercising and reading books.

"First, I'll study English. I think it is not too late to study English. When I'm released, I'm sure my English level must not be worse than my performance.

Second, exercise. I'll keep doing physical exercises and maintain my spirit. That'll enhance my belief that I'll never fail.

Third, read books. I'll take the time to read books I like. Many modern writers' books are my favorite," Liu told Chen.

## Tackling the tax evasion problem

The day after Liu's arrest, Wang Jianzhong, a former employee who last year accused Liu of failing to pay him distribution fees and took her to court, commented on the case. "I've read the Xinhua news. That proved all the predictions I made about her are correct."

"As a long-time colleague of Liu's, I'll say it is no accident she has been jailed. Her arrest can be attributed to her arrogant and impetuous personality and illegal actions she took on purpose... If she was an ordinary person, I might have won my lawsuit a long time ago. She owed me 10 million yuan!"

However general manager of BXCA Jing Jun said, "As far as I know, Liu's corporate accounts started to be checked since 1993. Now someone is causing trouble. In fact, Liu is only the legal representative of the company. She is not in charge of specific things in the company."

Liu's case echoes the problem of tax evasion by the rich and their companies. In recent years, the evasion of personal income tax has become a growing problem in China. The tax bureau says that about 200,000 businesses failed to pay their staff's personal income taxes last year, according to a Xinhua report.

The bureau says that starting from this October, people with an annual salary in excess of 100,000 yuan in more than 300,000 tax paying businesses will be monitored. In each district or county, the 100 wealthiest people will be listed as key persons to be monitored. Among them are many movie stars, sports stars, CEOs and private business owners.

According to the State Taxation Bureau, the total sum of personal income tax neared 100 billion yuan, accounting for 6.6 percent of China's total taxes last year.

## Cerebral Palsy Sufferer to Study in Norway

By Li Jia / Ivy Zhang

A week after celebrating his 17-year-old birthday, Rong Bo, who suffers from congenital cerebral palsy, started to study in Norway this week.

He is studying at a school attached to the International Red Cross, under a program jointly initiated in 1998 by Norway Embassy and China Disabled Persons' Federation. It enables one high school student aged from 17 to 19 every year to go to Norway to study for two years.

Looking back at the examination held this April, Rong Bo's proud father Rong Xiaobing told *Beijing Youth Daily*, "Rong Bo paid great attention to the examination. When the day came, he put on a suit, a new shirt and got his leather shoes polished. When he came out after finishing the exam, he gave me a high five and seemed full of confidence."

Unlike many other students who participated in the exam whose self-introduction only referred to which school or grade they studied at, Rong told his father later that he stated his ideals, abilities and personality, just as if he were delivering a speech.

"In the end, he did succeed!" the proud father said.

## "We want him to live a normal life"

"This is the result of his working hard through all these years. All the family, including his grandparents, treat him like a normal kid."

Rong Bo was born prematurely and was diagnosed with congenital cerebral palsy, a condition that affects control of the muscles.

"That is cruel," said Hu Yingyuan, director of Convalescent Center for Chinese Children, "they know well what is happening to them."

Rong was the first child admitted to the center, said Hu. "He was only three years and 10 months old then. But he was very active and asked many questions. He was different from other kids."

"I remember when he was a kid, he turned his body to practice more than a thousand times to write the number '8.' He even got blisters on his hand..."

In order to help Rong to live a normal life, his family took care of Rong physically, psychologically and educationally. The father found a therapy at the center named "ball shower" which allows children to creep in a big bathtub full of thousands of plastic balls.

"We don't have the facility at home. But the concept is to massage the kid," the father said, "So whenever we have time, we'll take a plastic ball and roll it on his body."

When Rong reached school age, the father sent him to

Sanlihe No. 3 Primary School. "We didn't want him to learn a skill at a school for the disabled and then live a life repairing things as many disabled people do," the father said. "We want him to lead a better life than the normal people, a life full of hope."

## "There may be a day"

In order to restore the boy's physical functions, the father took Rong to Hawaii for treatment in 1990. That is where Rong learnt to stand up and walk.

In a composition titled "There may be a day", Rong writes: "When my father asked the doctor about whether my ability to move normally might be restored one day, he spread his hands and shrugged shoulders and said firmly that it is impossible in the twentieth century."

"I'll never forget that scene. On that day, I was sentenced to lose the right to play sports... To tell the truth, I have always been afraid of PE lessons. I feel inferior and upset when looking at my classmates in the playground."

At the end of the essay, he writes about how he had a dream once in which he became healthy after an operation and played basketball during the PE class. "Applauses erupted among my classmates I laughed in my dream... Though it was a dream, it gave me hope. Maybe one day, medicine will be advanced enough and disabled people like me can be transplanted with all kinds of organs. I am looking forward to that day."

## A boy with wide interests

Rong has an excellent performance record at school and loves English, the stock market, computers and the NBA.

His father said he took his son to Tian'anmen Square or the Forbidden City every weekend because there are many foreigners there. Rong can communicate with them in English and thus enhance his English level.

"He took every chances to speak English," his father said, "One day he talked with two Americans when we had lunch at a restaurant. He told them he went to Hawaii and appreciated the scenery on the beach. Another day, he talked with an Australian in the subway about the Sydney Olympics..."

"Do you like the Brazilian football team or Argentina? Do you like soccer or basketball? Now I only analyze the stock market, I do not trade shares because I do not have time," Rong said.

He said he does not care about what others say about him. "I admit I am proud but I have good reason to be proud."



Rong Bo Photo by Zhuang Jian

Applauses erupted among my classmates I laughed in my dream... Thought it was a dream, it gave me hope.

Maybe one day, medicine will be advanced enough and disabled people like me can be transplanted with all kinds of organs. I am looking forward to that day.

## Liu Xiaoqing Profile

Date of birth: October 31, 1951  
Birthplace: Peiling, Sichuan Province  
Major movies: *Small Flower* (小花), *Power Behind the Throne* (垂帘听政), *Li Lianying* (李莲英), *Town of Furong* (芙蓉镇)  
Major writings: *My Road, My Eight Years*  
1963 - Enters Sichuan Music College Affiliated High School  
1970 - Joins Chengdu Army Performing Group.  
1973 - Wins minor role in the movie *Great Wall of Zhen* - 芙蓉镇).



*South China Sea* (南海长城). Acting career takes off.

1980 - Her role as Zhang Lan in the comedy *Look at This Family* (瞧这一家子) wins her the top award of Chinese actress - the Baihua Best Actress Award.

1987 - Wins Gold Rooster Best Actress Award.

1988 - Wins Baihua Best Actress Awards for role in *Town of Furong* (芙蓉镇).



# Not Your Everyday Barber

Beijing hairdresser has an imperial legacy and an inspirational view on life

By Miao Yajie

Baby-faced Jin Hengli and his wife Guan Baoxia have run a hair salon out of their family home on Houkeng hutong to the southwest of Jishuitan Bridge for eleven years. He cuts men's hair, while she takes care of women customers and their store's beauticians. Most of their customers know them as Xiao Li and Xiao Xia — few are aware that Xiao Li's family name in their residence booklet is actually Aisin Gioro, a name from the nomadic Manchurian people that ruled China under the Qing Dynasty for 267 years starting in 1644. Xiao Li is a descendant of the line of Prince Cheng, seventh son of the Qing Emperor Qianlong, who is widely considered one of the greatest rulers in this country's history.

"A surname is just a surname. You have to live life trying to be happy and trying to make others happy as well," says Xiao Li, his very round eyes betraying a grin behind his glass.

Described by his wife Xiao Xia as full of new and sometimes weird ideas, Xiao Li started the interview with the following sentence:

**"Everybody should get sick once"**

"Why?" "Sickness is like a warning telling people not to go to extremes. So, everyone should be struck by illness once in their lives, any kind will do."

This philosophy is based on the idea that most illness is due to excessive drinking and eating, not getting enough exercise and not showing restraint — in short, to greed. Xiao Li learned this lesson himself when he was diagnosed with type II diabetes. He was only 29 at the time. His doctor at Jishuitan Hospital told him that if he took good care of himself, it would not be a big problem, but that if he did not, he could well die within two years.

"I was scared to death when I heard that," says Xiao Li, "I didn't have kids yet, but I had my parents and my wife, I had to take care of them."

At first, only one thought went through his head: "Why me?"

The doctor who oversaw his treatment told him that people should not live for themselves, but for others, for the people around them like their families, relatives, friends, acquaintances, and customers. Xiao Li thought long and hard about those words and concluded the doctor was absolutely right. "If I'm just living for myself and by myself, I'd be better off as a monk," he decided.

Xiao Li recalls that one night while playing billiards, a favorite pastime, he suddenly realized the room had become bright. He thought the light was coming from an approaching car, but when he looked out the window, he saw the sun had already risen. At that moment, Xiao Li began a conscious mission to change from an overgrown boy who cared for nothing but fun and thought little of the troubles of others into a completely opposite kind of person.

He began taking medicine at home to control his disease and didn't tell his parents about his affliction. He says, "Telling them would not have done any good, it would only have made them worry, and would not have helped me in any way."

Xiao Li took to pondering "serious" subjects. His thoughts dwelled on such ideas as humans being as tiny creatures and the need to try one's best in life. Parents bring

children into the world with the intention that they be healthy and happy. No matter whether you are sad or joyful, you should try to push away sorrow and spread joy to others. "After I got sick, I was no longer afraid of difficulties. The bigger the obstacle, the more determined I get and the happier I am," Xiao Li says.

Now, five years later, with his diabetes well under control, Xiao Li believes he was wise in not telling his parents and has no regrets.

**Creating a realm of happiness is more important than a surname**

When Xiao Li is walking on the street, almost every one passing by turns around to check him out. From the back, he has a crew cut, but from the front, there is a lock of hair about seven inches long pinned to the right side of his forehead with a simple black hairpin.

Once when Xiao Li and Xiao Xia got into a taxi, the driver kept looking at him in the rear-view mirror, finally blurring out, "Did the power go out when you were getting your hair cut, or what?"

**"A surname is just a surname. You have to live life trying to be happy and trying to make others happy as well."**

**— Jin Hengli, a direct descendant of the Qing Emperors who ruled China from 1644 to 1911**

The hairdo is actually a creation of Xiao Xia's from eight years ago that is a deliberate combination of styles. The long front lock is parted on both sides and blow dried to give him a very unusual look: from the front, he looks to have a regular medium-length cut, while he has a buzz from the back.

Xiao Li says he thinks the style is convenient, inventive and passionate, but he is tired of explaining the idea behind the combined style to other people. He wants his unconventional hair to be surprising and refreshing for others. "If they see me and laugh, that's good. If they go home with a story of a bizarre hairdo, their families will enjoy it, which is better."

"What is the most important thing in life anyway? To me, it's to be happy, not only for yourself, but all for all the people around you, creating a sphere of happiness."

Xiao Li knew he was from the Aisin Gioro line since he was a child, but says it has made little difference in his life. That attitude probably passed down from his fa-

ther, who joined the Communist Party when very young. In the 1980s, Feng Qili, a historian who was compiling a genealogy of the Aisin Gioro family, came to the Xiao Li's home, but his father refused to cooperate. A few years ago, Feng directly contacted Xiao Li, the only son in his family. If he has a son himself, his wife Xiao Xia and the baby will be included on the Aisin Gioro family tree.

According to family tradition, the middle name of Xiao Li's son should be Qi, making him Aisin Gioro Qi X, but Xiao Li's mother has already chosen a name for her future grandson — Qihang, which means "set sail". Outside of that his branch of the family tree, Xiao Li knows little about his family's legacy, including how many brothers, sister and children Prince Cheng had, and where the other descendants of the family are now. Xiao Xia says she is aware of about 200 members of the Aisin Gioro clan living today, but adds there is little communication among them. The family's genealogy can be found in the National Library, but Xiao Li is not terribly interested in looking it up.

"If you say I'm totally unaware of my surname, it's not like that, I just have no real feeling either way about it," said Xiao Li.

"My perfectionism and seriousness might come from my blood, but I have no desire to rule the country," he jokes. "My only ambition is to create a sphere of happiness around me and make everyone joyful."

**A good barber should also be a psychologist**

Xiao Li's profession gives him a perfect forum to practice his theories of happiness and his perfectionism.

"To me, perfectionism means having the matching ideas with a customer about beauty. How beautiful that would be," he says.

To Xiao Li's mind, different people have different characteristics, so if a barber can bring out the customer's unique character, that can be called perfect service.

Xiao Li said he completely agrees with his teacher's contention that a good barber must also be half a psychologist. He believes a barber has to study customers, find out what they do, what the like, what kind of mood they are in, and then pick up the scissors. Doing so makes a hairdresser an artist, not just a craftsman.

Sometimes people go for a hair cut when they are in a bad mood and need some kind of release. "Besides giving you a perfect hair style, a master barber should help you get your tension out, plant hope in your heart and make you self-confident," says Xiao Li. "I strive to be that kind of barber."

Xiao Li and Xiao Xia said that the opening day of their first salon, May 19, 1991, feels like it was just yesterday. That day they worked from 8am to 1am the next morning. They earned a total of 19.7 yuan, a big haul for Xiao Xia, whose salary at that time was under 40 yuan per month. They have since opened a new shop called the Abel Beauty Salon at Yonghe Jiayuan.

The happy couple sometimes ask each other the question that if someday they are suddenly bankrupt, without a fen to their names, would they start all over again and work as hard as before?

Their answer, of course, is yes, but, as Xiao Li adds, "with the sphere of happiness we have created, with so many good friends around us, do you really think that could happen?"



"A good barber should also be a psychologist," says Xiao Li.



**Scenes from Xiao Li's Life:**

① Taking a break to read Beijing Youth Daily in his hair salon

② Feeding his goldfish

③ Playing pool, his favorite pastime

④ Offering beauty and life advice to a customer

Photos by Zhuang Jian

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The first clay models of Peking Opera make-up masks (*lianpu*) are said to have been made by an opera buff from the royal family during the reign of Emperor Guangxu of the late Qing Dynasty.

After 1949, the Tang brothers were among the most celebrated mask makers. The elder brother, Tang Jingkun was named by Premier Zhou Enlai as one of the "ten best" folk artists. The younger one, Tang Jingyue, is now 73 years old and long ago quit guiding apprentices.

The last of these, Tong Xiufen, now 46, still practices the traditional craft, and follows strictly the rules of painting. Clay, which requires firing in a kiln, has mostly been replaced by plaster of Paris as the preferred medium.



Traditional painted Lianpu  
Painted by Liu Zengfu

Peking Opera is these days something of a symbol of China to the rest of the world. An offshoot of this traditional art, masks of Peking Opera faces, which in the theatre are created by the actors themselves applying thick paint directly onto their own skin, can be seen in almost every tourist shop.

Due to the lack of brand awareness of most folk artists, and the lack of market supervision, inferior works made by amateurs congest the shelves of many stores. The great quantity of these inferior works has severely impacted on the prices of the superior pieces, leading to a decline in this folk craft.

# Peking Opera Make-up Masks Need a Brand

By Miao Yajie

It was about ten years ago that Tong Xiufen first tried to teach her nine-year-old son Lin Hongkui to paint Peking Opera make-up masks. The attempt failed as the boy could not stand sitting still for more than ten minutes.

A few years later, when Lin Hongkui was in his fifth year at primary school, he encountered the folk craft again in art class. He failed to pick up even the basic skills, as his teacher did not know how to finish a mask. In fact the teacher finally came to Lin's home to consult his mother.

Later, when Lin was 14, he made up his mind to learn under the guidance of his mother, who had by then been making masks for more than 20 years. Tong made a draft for her son to start working on, and this time he persevered.

Lin's mother, Tong Xiufen, a talented painter, started making Peking Opera masks in 1976. His father, Lin Song, took up the craft two years later. He is good at making the white face, the mold. The son can now paint small-sized masks, but says he "still can't paint as vividly as my mother."

Trained under a good master



Lin Hongkui plans to complete his mask-making apprenticeship with his mother, but will probably not make a career out of it.

Photos by Miao Yajie

with formal traditional exercises, the basic characteristic of Tong's masks is the delicate painting. Make-up masks are based on Peking Opera, and from the very beginning, the rule was set to imitate exactly what was on the stage, no matter how big or small the mask was. There were many opera masters who design their make-up perfectly according to the roles, and left to the world numerous samples.

Colors on the Peking Opera stage are of great significance.



Each has its own meaning when applied to the face of the performer. One thing that bothers Tong Xiufen about most of the masks sold today is the misuse of colors.

During her long "apprenticeship" to the craft, while following exactly the original designs created by the masters, Tong gradually formed her own style. The headwear that adorns her masks is identical to that worn by performers on stage. Besides the traditional hualian, or 'colorful face' masks, she is also one of the most accomplished makers of *qingyi* masks. *Qingyi* is one of the main sub-divisions of the *dan*, or female role in Peking Opera. "Sometimes it annoyed me so much seeing the inferior works. It really bothers me, but what can I do except teach my own son the correct way?"

The Tong's have made something of a name for themselves in the trade. A dealer takes orders exclusively from them to export to Japan and Singapore. Every November, the family starts preparing for the Spring Festival order from the dealer.

Lin Hongkui says they know the dealer sells the bigger masks, which he buys from them for about 150 yuan, for around 1,000

yuan each in Singapore. "But they have to take risks during transportation, for the masks made of clay or plaster of Paris are fragile." Their customers outside China do not even know the maker's name, but the dealer would not buy cheaper masks from other workshops, because his customers place more importance on craftsmanship than cost.

As to whether he plans to carry on the family business, Lin Hongkui says he has not given the matter serious consideration yet, but could probably find a job that would earn him more money, though he will continue to learn from his mother until he finishes his apprenticeship.

The lack of brand recognition for folk craftwork is an issue that has aroused much debate in recent years. A Beijing based Peking Opera website, [www.dongdongqiang.com](http://www.dongdongqiang.com), approached the Tong's about selling their works under the brand "dongdongqiang." Details of any possible cooperation are still under consideration, although the website manager, Hong Dou, has expressed the hope that it can expand its range of products to include headdresses and paper cuts of Peking Opera figures as a way to save the traditional folk art.



Plate from the Longevity suit, on which Auspiciousness is modelled

## Auspiciousness to Call on the White House

President Jiang to present Jingdezhen porcelain to US President and First Lady

By Zhao Pu

A set of porcelain tableware named "Auspiciousness" from Jingdezhen will be presented as a gift to US President George W. Bush, when President Jiang Zemin visits the US this autumn.

During their visit to China in February, President Bush and First Lady Laura Bush both expressed fascination in a set of exquisite porcelain tableware during a banquet in Beijing, according to last Friday's *Beijing Youth Daily*. On his return visit this autumn, President Jiang will take with him a set of the tableware as a present for the couple.

The luxurious tableware suite, containing over 200 pieces, is designed and fired by Jingdezhen Porcelain. Their top-quality products are used for state banquets at Zhongnanhai, seat of China's central government.

The design of "Auspiciousness" is based on a set of antique porcelain tableware named "Longevity," produced for the emperor's exclusive use in the Forbidden City during the Qing Dynasty (1644-1911), according to Wang Yao, general manager of Jingdezhen Porcelain.

The set adopts new shapes and patterns, in accordance with contemporary dining customs. It uses five supplementary colors — gold, red, blue, green and light green — with gold as the main tone of the whole design.

Jingdezhen in Jiangxi Province is known as the "porcelain capital" of China, and has a porcelain making history of 1,700 years.

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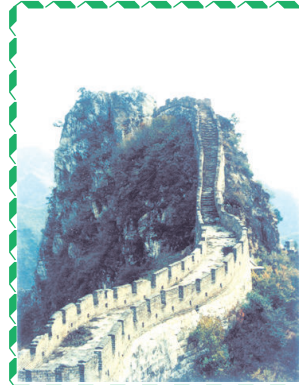
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Tian Zhuangzhuang (left) and Jiang Wen (right)  
Photo by Luker

## Why I Made Springtime in a Small Town

Jiang Wen's interview with  
Tian Zhuangzhuang

Jiang Wen, the popular actor of *Devil at the Doorstep* and *The Missing Gun* fame, was so excited after watching *Springtime in a Small Town*, he decided to interview the director Tian Zhuangzhuang. Tian told him about why and how he filmed the movie.

Jiang: After watching your *Springtime in a Small Town*, there has been a feeling of respect growing in my mind. I think it's not a movie to please the audience. You used to say "I don't want to surpass Fei Mu, director of the old version, and it's impossible to surpass him". Why did you say that? Why did you want to remake the film?

Tian: Fei Mu's *Springtime in a Small Town* has already reached a perfect degree. But I suddenly felt the impulse to reprise it in the lead up to the beginning of the new millennium. The whole world was worked up by the coming of a new century. "Isn't the world the same?" I thought, "What's the point to be so impetuous?" One day, I watched Fei Mu's *Springtime in a Small Town*, and was especially touched by it. I couldn't tell exactly where it touched me, but I knew I wanted to film it.

But when I was doing the preparation, I was confused. Should I do it? I felt immense pressure. I thought for a long time and then realized that I was copying a masterpiece painting. No matter how well I do, it can't be compared with the original one. I don't see it as a matter of losing or winning; what I care about is whether I'm satisfied with it or not after it's done.

Jiang: In the movie, you use many long takes. Sometimes there is only one take for an entire scene. I think you are one of the few directors who emphasize continuity in terms of acting.

Tian: I think the continuity may help the appreciation effect. During the shooting, the cast were not used to it at first. But then, we did a lot of preparation.

Actors and actresses today know theoretically how people in the 1940s looked and behaved, but they often made some giveaway gestures. I often said to Hu Jingfan, who acted the role of Zhou Yuwen, "When you turn your head, you can't turn your eyes first, then your head; neither should you turn your head first, then your eyes. You must turn them together." If she could not turn her head like this, she would look too witty — out of character. She did not know this. "Go to practice alone," I told her.

Translated by Zhu Lin

# Love More Reserved Than 50 Years Ago

By Zhu Lin

Directors of both versions of *Springtime in a Small Town* were able to touch the audiences of their times. Interestingly, the main roles in a new version of this classic love-triangle story are more reserved than their counterparts of a half-century ago.

In 1948, director Fei Mu (1915-1961) made a milestone in the history of Chinese cinema with *Springtime in a Small Town*. This year, Tian Zhuangzhuang, director of *The Blue Kite*, has directed a remake of the movie, his first work after a nine-year hiatus.

It is the uncertain love element of the story that attracted both directors to *Springtime in a Small Town*. The story takes place in a small town in southern China in the late 1940's, at the end of the Anti-Japanese War. Dai Liyan, a sickly and pessimistic man lives a quiet, dull life with his wife Zhou Yuwen.

One day Zhang Zhichen, a former classmate of Dai's and Zhou's former lover, shows up, and a subtle love triangle evolves. The Zhou Yuwen of the original version is more coquettish, and shows her longing for love more boldly than the men in the movie. In Tian Zhuangzhuang's ver-



Poster for the original movie

sion, she remains introverted, even at the most passionate moments.

Yuwen's off-screen voice narrates the original version, adding a romantic veil to the story, and making it more subjective. When Yuwen is drunk, she reveals her true passion and confronts Zhichen directly. That scene was shot in Yuwen's room in the original version. The war has just ended, there is a feeling of loss combined with hope in the air.



Wu Jun as Dai Liyan, Hu Jingfan as Zhou Yuwen and Xin Baiqing as Zhang Zhichen from the new movie

In the new version, there is no narration. "I want the audience to observe the three characters more objectively," said Tian. He considered it would be hard for Zhichen at that time to make a pass at Yuwen in her room, even if he was drunk. So he shot the scene at the doorway.

Along the doorway, Zhichen makes three attempts to hold Yuwen. Yuwen resists. But when Zhichen gives up, and squats down on the floor, she twice tries to draw close to him. There are no dramatic close-ups, but the struggle in those actions conveys great power.

In the end, Zhichen goes away. Yuwen and Liyan resume their quiet life. All the three choose to take a step back, and the small town returns to its quiet state, a typical conclusion to a conflict between desire and etiquette common in Chinese literature.

"Emotion erupted from sentiments, reserved by etiquette," is how Fei Mu summed up the atmosphere of the original movie, setting a basis for the later version. Fei Mu knew, and Tian Zhuangzhuang certainly knows, how to reach the hearts of the audiences of their times, and the two masters living in two centuries have their own distinctive ways of making the cut.



Huang Yuxing's Island in Winter

## Young Artists Pursue New Expressions

By Zhang Huan

The love of life and the pursuit of new artistic expressions are the key elements reflected in the exhibition *Fruits in Midsummer* — Nine Young Artists' Painting on View, now on at Soka Art Center.

The artists' personalities have developed through years of exploring and practice, free of traditional restrictions. Among them, Wang Xiangming excels in expressing big themes with small subjects. His approach exemplifies the idea of "smallness means beauty" that is the pursuit of post-modernism; Huang Yuxing is a sensitive and exquisite young artist whose paintings of landscape are lyric and dream-like; Wang Zizhuang paints Chinese traditional furniture in the most modern way, making his works fresh and interesting and Li Linying's expressions in her works are free and enthusiastic with a great vitality.

As the artist Huang Yuxing says, "We need the voice that comes from ourselves," the young artists are discarding traditional concepts and working hard to find fresh expressions of themselves while at the same time establishing their own attitude toward life.

For Huang Yuxing, painting and traveling make up his life. The ideas and feelings he gets from his traveling directly influence his life and his works.

"My landscape painting contains the elements of youth. It is not the decaying 'literati painting', but something totally different," says Huang.

For Li Linying, another self-taught artist, "There is too much hardship in life, and I don't have the heart to paint it in my pictures. I choose to paint the beauty. The worse my mood is, the more beautiful my paintings are."

**Where:** Soka Art Center, north end of Xiushui (Silk Market) East Street, Chaoyang District

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## Zhang Ziyi a Vogue Classic

By Zhang Ran

Zhang Ziyi, star of *The Road Home* and *Crouching Tiger, Hidden Dragon* has been named one of Vogue's "classic cover stars" for the magazine's Chinese version.

A recent ballot held by the fashion magazine named Tom Cruise, his ex-wife Nicole Kidman,

### Musical Memorializes Pop Legend

By Zhang Ran

A new musical being staged in Hong Kong tells the story of the undisputed queen of popular music in China in the 1980s, the widely loved Deng Lijun, or Teresa Teng as she is known in Hong Kong. *Forever Teresa Teng* premiered on July 25 at the Hong Kong Academy For Performing Arts.

"The experiences on her road to success, the love stories, are all completely true, as told by Deng's family," said director Xu Zhenghong.

The heroine's adult life is played by popular Hong Kong singer Cass Phang (Peng Ling), while Xiao Qiao and Li Xinjie respectively play the part of Deng as a child and an adolescent.

Deng's mother and brother were in the audience on opening night.



Cass Phang plays the role of Deng Lijun



Itzhak Perlman

### Itzhak Perlman to Light Up Classical Music Stage

By Zhu Lin

The most looked-forward-to classical music event in Beijing for the next few months is Itzhak Perlman's performance on August 29 at the Great Hall of the People.

"A concert violinist, Jascha Heifetz once said, must have 'the nerves of a bullfighter, the vitality of a woman who runs a nightclub and the concentration of a Buddhist monk,'" according to Newsweek, "And you have Itzhak Perlman." Wherever he goes, he delights his fans, and China is no exception.

Perlman will be joined by the China Philharmonic Orchestra to perform Beethoven's violin concerto. The maestro will also hold a three-week master class in Shanghai from August 8, in which a group of handicapped child violinists will participate.

### Oliver Stone Visits China

By Zhu Lin

US film director Oliver Stone visited Beijing last Saturday for talks with manager of Beijing Film Studio and Century Hero Investment Films, Han Sanping.

The director of *Platoon*, *Born on the Fourth of July* and *Natural Born Killers* is making preparations for a movie to be shot in Dunhuang, Gansu Province. "Since it's not been decided yet, we can't tell you the name of the film," said Rao Xueqian, public relations manager of Century Hero Investment Films.

Stone left Beijing on Sunday for Thailand.

### Zhang Yimou and Gong Li to Cooperate Again

By Zhang Ran

Gong Li and Zhang Yimou may cooperate once again for the movie *The Empress*, a project Zhang put on hold seven years ago. The news was announced by the author of the book *The Empress*, Zhao Zi, at a press conference to launch her new book *My Soul Is Not Dancing*.

"The movie was aborted because a TV version of *The Empress* was made. Zhang and Gong's breakup in 1995 was also a factor," Zhao said.

Zhao wrote *The Empress* at Zhang's suggestion, and the filmmaker was immediately impressed with the feminine angle of the story about the legendary empress. He said at the time that Gong Li was the only person who could play the part of the heroine.

The story is about Empress Wu Zetian of the Tang Dynasty, the only empress in Chinese history.

### WORLDWIDE



Brande Roderick (left)

### Playboy Bunnies Hop into Japan

Though Hefner's legendary Playmates have hopped across the Atlantic and into Tokyo to stake their claim in a country with one of the world's most saturated — and kinky — sex industries.

For one thing, Playboy's new venture in the Japanese capital has more to do with clothes than sex — a spanking new 100 million yen (\$852,600) fashion store in a trendy Tokyo spot was opened by Christie and two busty Playmates of the Year on Tuesday night.

Most of the store is devoted to selling Playboy's brand of cute, revealing clothes with the trademark rabbit's head to a proven money-spinner — the young Japanese female.

(Reuters)



Rob Lowe

### Rob Lowe Leaving West Wing

Actor Rob Lowe will be leaving NBC's popular TV show *The West Wing* after the end of the coming season because, a top trade magazine reports, he isn't pleased with his salary.

Daily Variety is reporting that Lowe was disenchanted over the unwillingness of producers to raise his \$75,000-an-episode salary, even as they hiked co-star Martin Sheen's pay to \$300,000 an episode.

Lowe released a statement saying his role as Sam Seaborn, White House deputy communications director, didn't fit the show anymore. He did not refer to the salary issues raised in the Variety report.

Lowe, 38, has previously earned an Emmy nomination and two Golden Globe nominations for his role.

(CNN)

### Vives Leads Latin Grammy Nominations

Colombian folk singer Carlos Vives collected a leading six Latin Grammy nominations Wednesday, including album, record and song of the year.

Vives, who won a mainstream Grammy this year for best traditional tropical Latin album, was recognized again by the separate Latin Recording Academy for his album and song *Dejame Entrar*, or *Let Me In*.

He also had nominations for contemporary tropical album, tropical song and music video. Vives, a former television actor, performs in the style of Vallenato, the traditional music of Colombia's northern plains, which is known for its simple lyrics about village life.

(AP)

(Edited by Zhang Ran)



北京青年报  
BEIJING TODAY  
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## Weapon-wielding Lady Carves Out Career in Catering Trade

By Li Dan

She grasps the green knife like a pencil in her right hand. In her left, she rotates the first chunk. Layer by layer, rose petals emerge out of watermelon. For fun, she carves a couple of leaves.

It all takes less than five minutes. Gao Ning passes the test posed by *Beijing Today*.

From the first sip of tea, Gao get straight to the point. "I do love the job from the bottom of my heart," says the 32-year-old head chef of Trader's Café.

"People have always said to me a chef must be a man. I just wouldn't accept that we women can't do this work just as well."

From catering college, Gao at 19 began work in the café in the China World Trade Center when it opened in 1989.

"My relatives were all against it because cooking was not seen as a career, especially for women," says Gao.

She did odds and ends in the kitchen, later was promoted to a forewoman. Her progress seemed unstoppable until in 1993, the Singaporean head chef Colin Phumboo recommended Gao to be his assistant chef. The then-manager of the catering department didn't agree. She suggested a woman could not survive in the man's world.

Depressed, Gao decided to quit. She wanted out of the business altogether. But Phumboo promised to give her special training.

After eight months' hard training, Gao had accumulated the most advanced cooking techniques.

"Women can have many advantages — sharp eyes and analytical abilities, conscientiousness, patience and kind hearts, plus plain hard work," she says. "Who dares to say the best chef must always be a man?"

Traders Café where Gao works mainly supplies Southeast Asian cuisine. The guests pay to be demanding about their food. For instance, Gao says if a dish made by a Chinese chef is brought to the table by a Singaporean head chef, the guests often conclude it is a fine dish. But if the head chef tells the same guests it is the work of Chinese staff, she says, they will sometimes even change their minds that very moment and say it's a bad dish.

To produce genuine Singaporean food, the hotel sent her to Singapore in 2000 for further training.

When a Singaporean VIP guest wanted to raise an issue with Gao after the meal, she approached him fearing the worst.

"Then he said, 'When my friends and I dine here next time, could you please prepare the same recipe for us?'"



Photo by Zhuang Jian

"A good chef should know how to use each knife, but there must be one that only he/she can use."

"Who dares to say the best chef must always be a man?"  
— Gao Ning  
head chef, Trader's Café

Gao breaks out a broad smile. During the four-hour interview, Gao often smiles, even as she is busy talking to *Beijing Today* and organizing tasks for her staff.

"This is my daily routine, supervising three meals a day. But being a head chef does not mean you are more free than before. You need to keep tasting the latest food, giving practical training, managing the chefs' team, and a whole lot more."

The job consumes energy. Her mother Gao Chunyan often suggests she change to another job more suitable to women.

"Only in this field can I make more achievements and enjoy myself," she says. Husband Yang Changsheng works in the Luzhou Hotel in Chengdu. He ranks above her. Today, Gao is ranked a senior chef in both western and Chinese cuisine.

Other hotels have invited her to join them and promised twice the pay. She refused.

"I love the working atmosphere here very much, and money to me is not that important,"

says Gao.

Before the café's opening banquet in 1989, the staff spent a long day learning new skills from the Austrian head chef Horsp Berger. When preparations were finished at midnight, all the weary workers went home, except the head chef — and Gao.

"Strong interest and curiosity kept me in the kitchen," says Gao.

"I kept learning and learning, and often I realize what I learnt back then benefits me so much today."

Today Gao is an easygoing, warmhearted and capable woman working in a predominantly male world.

"Yes, it's really hard for a woman," she says. "At least two things are required. One is to be super self-confident, that is, to prevent pressure seeping in from the outside world, and the other is to maintain a good physical condition."

Gao added in the end, "A chef needs to learn easily to love the new and abandon the old. She has to keep studying daily recipes and change it seasonally. She has to learn to hate before guests hate."

## Forbidden Wonders of Wheaten Food

By Jiang Zhong

It is said a Shanxi man will not marry a woman who cannot cook wheaten food. Few would applaud the chauvinism, but it does at least indicate the importance of wheaten food to the life of Shanxi people.

Shanxi has been famous for its wheaten food some 2,000 years and today it's difficult to reckon how many different kinds Shanxi people can make.

During the Qing Dynasty (1644-1912), Shanxi wheaten food was included in the imperial menu of the Forbidden City. Cooks from Shanxi introduced new wheaten food to the imperial family every week. It was said the Empress Dowager Cixi loved wheaten food so much, she tried 500 kinds.

In 1901, Cixi fled the Forbidden City from invading forces. Hungry en route she stopped at a small restaurant in Shanxi. Owner Xie Yutian offered Cixi San Dao Shou (三倒手), a steamed bun. Cixi wondered aloud why such a delicacy did not make it to her table before.

Xie explained each Shanxi family has its own personal menu for wheaten food.

Some Shanxi noodles have lately grown in popularity around the whole country. Among them, Dao Xiao Mian (刀削面) has become something of a household name.

A cook stands with a lump of dough in his arms, then slices off slim pieces into a boiling pot. The slim pieces in the shape of willow leaves are sent to the pot directly by the cook's knife.

Dao xiao mian is also a neat test of a cook's skills. Some Shanxi pastries share the same fame as its noodles. Shanxi restaurants in Beijing all offer a menu once confined to the Forbidden City.

**Note:** traditional wheaten food of "Shanxi" style prepared by Guest Chefs from Shanxi Hotel. Where: Jianguo Hotel. When: Aug 8-21.



Wheaten food show at Oriental Plaza

Photo by Li Shuzhuan

## Tandoor Tempts Diners to Tasteful Journey

By Li Dan

Opened barely a month ago, this is the first Indian restaurant in Beijing where all the chefs and waiters are Indian.

The Chinese classic *Journey to the West* provides inspiration for the glorious interior of Tandoor Indian Restaurant. Expense has not been spared here. An eternity wheel at the restaurant entrance leads thought towards ancient Buddhist India. Bold colors along the wooden floor indicate the pilgrims' route over sea and land. Five Buddhist pavilions in different styles in the dining area reveal varying cultures and customs on the way to the west.

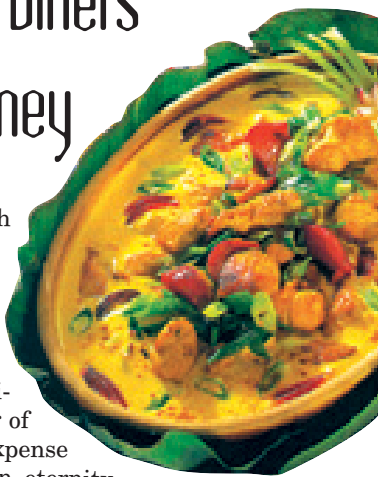
Words picked out from Buddhist scripture are tacked to the ceiling. As guests prepare to taste exotic Indian treats, they might not notice they are dining on two-wheeled chairs, experiencing a journey to the west on something like a personal carriage.

What Chinese cuisine has abandoned, Indian cuisine has adopted: the tandoor, an Indian oven, provides more than 50 Indian styles of cuisine.

"The Tandoor brand started in Shanghai nine years ago and it also has a branch in Chengdu," says assistant marketing manager Tao Ying.

The porcelain dining ware, knives and forks and snow-white tablecloths all come with impeccable and courteous service. Recommended menu: Las-si (Indian sour milk), Kebab or Prawn Peshawari (shrimp), Murg Shorba Badami (chicken soup, cooked for nearly 8 hours and processes 21 flavorings inside) and dessert Kesar Kulfi (Indian honey ice cream), Masala Tea.

**Where:** first floor of Great Dragon Hotel, 2 Gongti Beilu, Chaoyang District. **Open:** 11:30am-2pm, 5:30am-10:30 pm; Indian dance show, 6:30pm-10pm. **Price:** business lunch at 68 yuan/person, dinner, average 100 yuan/person. **Tel:** 6597 2211, 6597 2299 ext. 2112.



Chicken curry



Two-wheeled chairs

Photo by Li Shuzhuan

Small Cakes (小点)

## I ♥ Aiwowo

By Wang Dandan

In the days of Old Beijing, people looked forward to the debut of snacks that marked seasonal changes and festivals. One such treat is aiwowo (艾窝窝), a steamed rice cake with sweet filling. It used to only be sold from early spring until late summer or early autumn, but has become available year-round.

The origins of aiwowo can be drawn back to a book named *The Drinking Record*, written by Liu Ruoyu, a Ming Dynasty official. The book depicts a cold cake made by stuffing sesame into sticky rice dough to form a wowo. The sticky rice was first soaked and softened in water before being steamed to form an edible rice dough. After the dough cools, it is kneaded and diced, then pressed into round wrappers. The wrappers were once

stuffed with a filling of peach seeds, melon seeds, green-gage plums, cake and sugar. Today, it is mostly sweet red beans.

In the Ming Dynasty (1368-1644), steamed rice cakes with sweet fillings moved from the table of the emperor to those of regular people, as recorded in the classic ancient novel, the *Jinpingmei* (金瓶梅).

Since this sticky rice cake is made of prepared ingredients, it can be eaten directly without additional cooking. The cake is often to be seen sold by Muslims.

Beijingers call this cake aiwowo because in Chinese "ai" means "to love".

The story goes that a former emperor loved to eat this kind of cake, and whenever he wanted one, he told his servants, "I love to eat wowo cake".

Hence the name.



Ming Zhi Wei Teahouse

Photo by Li Shuzhuan

## Genuine Tea Lover Opens Genuine Tiny Teahouse

By Salinda

It's comforting to find a more traditional retreat being revived alongside the hustling hutongs and bustling stores even as modern bars mushroom around Shicha Hai.

Houhai teahouse owner Zhao Fuyun, from Anxi, was born in a family of tea. She takes extraordinary pride in her work. "My tea is from my tea garden. It is self-planted, self-produced, self-sold and self-used."

"My hometown in Fujian, as one of original sources of oolong tea, has maintained traditional technology to plant and make tea. So only the tea of the very best quality, which is rare and delicate — just about four jin (two kilos) — is to be sipped in my teahouse."

The rest of the regular tea is sold on to shops, she says.

"I hope to provide a chance of sipping real oolong tea, especially Tie Guan Yin (铁观音)," She takes out a container and says, "Its shape looks like the Goddess of Mercy, and its weight is like iron."

She steepes the pot and pours a cup. The fragrant aroma lingers throughout the interview. The golden water tastes mellow, worth a sip by the lake in summer.

The 40-square-meter cottage has an air of antiquity. Partitions with bamboo curtains separate four sipping spaces.

Antithetical couplets decorate the wall. A hazy scent slips out of a yellow hexagon lamp. Zhao has tables set outside. Zhao knows exactly what she is doing.

"When guests sit at the doorway," she says, "they can see the boats in the lake, the Yan Shan mountain range, passers-by coming and going, lights over here and there, accompanied by the musical sound of the boats."

**Where:** 6 Hou Hai Nan Yan, Xicheng District, turn north from Yinding Bridge (银锭桥) and walk along the west bank of Houhai, look for three red lanterns with the three characters "茗之味" (Ming Zhi Wei). **Open:** 1pm-12pm (Monday-Friday), 10am-12pm (week-end). **Tel:** 6616 3075.



Button control

Photo by Li Shuzhuan

Drinks

## Brewing by the Numbers

By Lydia

To satisfy the needs of many a Beijing man, there are four basic ingredients: water, hops, malt and yeast.

All the time and temperature controls here are based on a computer as *Beijing Today* witnesses beer-making process at the Paulaner Brewhouse in the Kempinski Hotel.

The malt is made of either barley or wheat, milled to break the skin and mix ingredients.

The four main steps go as follows. The process lasts two hours.

The staff mix grist and water into a huge kettle with different temperature controls between 50-100 Celsius. The final liquid is called a "mash".

Insoluble corn husks are separated from the liquid. The liquid is then whisked around a

giant mixing whirlpool and becomes something called "wort".

Next the wort is boiled for 70 minutes during which hops is added for bitterness.

The wort is now pumped back into the whirlpool and separated from the hops. The bubbling wort is chilled from 95 to 9 Celsius. Then the wort is pumped into a fermenter where yeast is added.

During the following six to seven days of fermentation, the yeast converts the malt sugar into alcohol and carbon dioxide. The yeast activity also creates warmth. The solution is then chilled again to create a liquid called "green beer".

The green beer is pumped into storage tanks where it develops its peculiar aroma. Finally it passes into a glass and so on into the exposed belly of a capital city beer cognoscenti.



# Leaving the Fragrant Hill Alone

By Wang Dandan

Villa developments in the Fragrant Hill (Xiangshan) area have drawn a lot of attention from both potential buyers and real estate industry professionals, who have expressed concern about construction in this natural area.

Many developers have even appealed for villa construction to be limited and restricted to areas miles away from the Fragrant Hill.

Real estate development in the Fragrant Hill area has been limited in past years in the interest of nature preservation, said Ke Huanzhang, general engineer of the Beijing City Planning Committee.

There are almost no buildings in the area ready to be sold on the market. To protect Fragrant Hill's natural resources and splendor, buildings must be built far from the mountain itself and there should at least be farmland in between developments and the area, he added.

Only if construction is controlled can the most beautiful



Over 800 people are vying to purchase one of the 128 houses in the Xiangshan Villas.

real estate scenes be created, said Zhao Kang, general manager of Beijing City Construction and Development Group.

The Fragrant Hill area is to-

tally different from the Wangjing and Yayuncun areas, which have become concrete jungles.

Han Xiuqi, deputy director of the Beijing Construction Design-

ing Institute, said that the development of Fragrant Hill is a shame, as it is the only real forested, green area of its kind in the city.

## Plants Can Beautify and Purify



By Stuart Brown

People do not breathe as well as they used to in this country. According to some reports, 64,000 people die every year from pulmonary illness relating to air pollution. That is a huge number – more than the population of many small cities.

And the problem is by no means limited to outdoor air pollution. Indoor air pollution can make people very ill as well. But the good news is that certain houseplants may have effective air cleansing abilities.

Researcher Liu Xin, in his book, "How to Grow Fresh Air", concludes that houseplants help enhance indoor air quality. Some of the most efficient air cleaning plants include varieties of palms, rubber plant, English ivy, ficus, Boston fern, and mums.

Palms appear to be fairly effective at removing many indoor air poisons. For example, the areca palm was highly rated for removing a wide variety of indoor toxins. The lady palm, dracaena, philodendron and parlor palm also scored highly in the multiple toxins category.

Some plants have more specialized capabilities. For example, the bamboo palm can remove benzene and trichloroethylene, which are both dangerous solvents.

Of course, you have a problem in any case

if you live in a house in which you are being forced to breathe such stuff. The peace lily seems to filter alcohol and acetone, making it a good friend to late night partygoers who tend to spill their nail polish remover (and drinks).

Concerns over indoor air quality started to surface in the past 10 years or so. Before then, outdoor air pollution was the focus of most people's attention.



Photos by Li Shuzhuan

It is nice to know that something as attractive and nice as a houseplant can be productive in the fight to keep our indoor air clean.

Not only do plants filter out toxins and pollutants, they also replace these poisons with oxygen, which of course is something that we need to stay alive.

Studies suggest that one houseplant per 100 square meters of living area is enough to provide some level of protection. Certain plants appear to be able to filter out more poison than others, and tobacco smoke seems to be difficult for most plants to combat.

Scientists are starting to understand that many of our breathing difficulties have as much to do with what we breathe inside our homes as what we breathe outside. While the government has regulated outdoor air pollution for around 25 years, it was not until recently that attention was given to indoor air quality.

## Do I Have to Pay Property Management Fees before Moving in?

By Hydrie

The issue of when to pay property management fees is related to two points, delivery of property from developer to owner, and property management.

From a legal standpoint, property delivery is determined by property right certificate registration. However, because processing of these certificates can be delayed, apartment owners and developers take key delivery and moving in as a way to confirm property delivery.

When a developer delivers property to an owner, the developer has to provide a "Property Quality Guarantee" and "Property Use Certificate". A developer's failure to produce either document means a property is not legally protected, and an owner can refuse to take delivery of such an apartment.



When property is delivered, the owner has to begin paying property management fees even if he/she does not immediately move in, as the property management company has already started its services, such as cleaning and security.

Below are listed some major points owners should pay attention to during the delivery of property.

Carefully check the apartment's decorations and demand compensation for any that are sub-standard. Do not rush to sign the property delivery contract. Write down all problems with the apartment on a contract and require the developer to sign it to confirm its legality. It is important that everything should be solved before moving in, as the moment an owner signs a contract for property delivery, it means that he/she has accepted the apartment and is thereby not authorized to ask for compensation for any problems after moving in.

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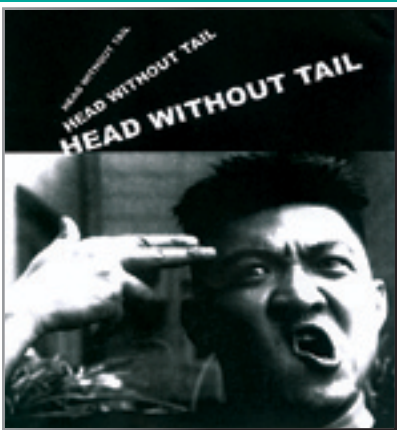
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## Performance



Hero Chen Minghao

**Head Without Tail**

Directed by Meng Jinghui, starring Chen Minghao, Wu Yue, Liao Fan, Yang Ting, Hu Jingfan. A worker in toilet factory runs away from his wife with his lover, and causes a young man who has suffered a serious injury to be mistaken for himself. The young man recovers but when he unexpectedly becomes famous, the wife decides to go along with the charade, as it presents an opportunity to get rich. **Where:** People's Art Theater, 22 Wangfujing Dajie. **When:** till August 18, 7:15 pm. **Admission:** 80-280 yuan. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english



The cover of the drama's introduction

**Fashionable Musical Dance Performance – Magnificent Tang Dynasty**

The Beijing premiere, this performance features many famous artists, such as Wei Minglun, Chen Weiya, Zhao Jiping, He Kaisi. **Where:** Poly Theater. **When:** August 11-13, 7:30 pm. **Admission:** 100-800 yuan. **Tel:** 6528 7675/6528 7750 ext. 198/508.

**Fortune or Misfortune**

The heroine comes into a fortune by chance, but doesn't know how to handle it. She asks for her relatives' opinions. **Where:** People's Art Theater, 22 Wangfujing Dajie. **When:** August 6-11, 13-17. **Admission:** 80 yuan. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english.



The performance by Takarazuka Revue

**Japan's Takarazuka Song & Dance Performance**

The Takarazuka Revue is a world-famous all female revue in Japan. The first performance of the Takarazuka was in 1914. The troupe is divided into separate groups called Flower, Moon, Snow, Star and Special Course. This time Star troupe will perform in Beijing with 50 selected actresses presenting six performances. **Where:** Century Theater. **When:** September 20-22, 7:30 pm. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english.

## Weather

|                              |   |  |
|------------------------------|---|--|
| <b>Friday</b><br>August 2    | Cloudy to clear<br>Max: 33C. Min: 23C.                |  |
| <b>Saturday</b><br>August 3  | Clear to overcast,<br>Max: 32C. Min: 24C.             |  |
| <b>Sunday</b><br>August 4    | Cloudy to overcast,<br>showers<br>Max: 31C. Min: 22C. |  |
| <b>Monday</b><br>August 5    | Cloudy to clear<br>Max: 32C. Min: 21C.                |  |
| <b>Tuesday</b><br>August 6   | Clear to overcast<br>Max: 33C. Min: 21C.              |  |
| <b>Wednesday</b><br>August 7 | Clear to cloudy<br>Max: 32C. Min: 22C.                |  |
| <b>Thursday</b><br>August 8  | Cloudy to overcast,<br>showers<br>Max: 31C. Min: 23C. |  |

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By Priscilla

## Music

**Opening Ceremony of the Music Season of the China Philharmonic Orchestra**

Harp: Zhang Xiaojie. Conductor: Yu Long. **Where:** Poly Theater. **When:** August 27, 7:30 pm. **Admission:** 50-480 yuan. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english.

**Asian Youth Orchestra Tour 2002**

The 100 talented young men and women of the Asian Youth Orchestra represent the finest young musicians in Asia. Chosen through highly competitive auditions held throughout the region, they are among the best of the best from China, Chinese Taipei, Hong Kong, Indonesia, Japan, Korea, Malaysia, and



Asian Youth Orchestra

## Exhibitions



Beijing walls from Qianmen to Dongbianmen, 1854, engraving

**Beijing at the Beginning of the 20th Century**

Photos from the collection of Italian writer and historian Adriano Madaro. More than 200 photos of old Beijing from a collection of 7,000. The exhibition is in five parts: city and walls, parks and gardens, lives of Beijingers, suburban sights and life in the legation street. Huafangzhai was built in 1757 by Emperor Qianlong. Today it is an art gallery, an ideal venue for such an exhibition. **Where:** Huafangzhai (Painted Boat Studio), inside Beihai Park (north of the Beihai East Gate). **When:** from August 4, for one month. **Tel:** 8404 6088, 8404 6188.

**South China Flavors – Traditional Chinese Painting Exhibition**

Landscape artists Zhao Wuchao and Liu Maoshan both come from South China, and their paintings depict the beauty of Jiangnan. Liu's paintings are more poetic, simple but thoughtful. Zhao Wuchao's works are a prose, natural and charming. **Where:** West Wing of Wan Fung Gallery. New Vision Series – People in Tibet. More than 30 oil paintings and 10 sculptures will be exhibited. Artist Han Xuejun has been traveling in Tibet searching for inspiration. People living there and folk customs deeply touched him. **Where:** East Wing of Wan Fung Gallery. **When:** August 6-30, 9 am - 5 pm. **Admission:** free. **Tel:** 6523 3320.

**Following the Feelings**

More than 70 works by 30 artists. **Where:** New Art Center, 136 Nanchizi Dajie, Dongcheng District. **When:** August 5-25. **Admission:** free. **Tel:** 6528 9103

**Chinese Etchings Fine Works Exhibition**

Wood etchings by Song Yuanwen

## Activities

**Lecture with Slides – Travel on Foot at Three Gorges**

Lecture: Liu Shizhao, photographer, special photography consultant of China Tourism, member of China Photography Association. He photographed the Three Gorges ten years ago. **Where:** Xingshe-congong Bar, opposite the National Library, bus 320, 732 to Beitou. **When:** August 2, evening. **Tel:** 6846 3550.

**Visit Hutongs and Courtyard Houses**

A trip to some still well-preserved private courtyards, guided by a French lady who is a long-time resident of Beijing. **Where:** meet at the lobby of Palace Hotel (close to Wangfujing). **When:** August 3, 5-7 pm. **Fee:** 20 yuan. **Tel:** 8851 4913.

**Visit a Beijing Zoo**

See how zookeepers help Pandas, tigers, hippos, and bears survive the sweltering summer. **Where:** Beijing Zoo. **When:** August 11, 9-11:30 am. **Fee:** 30 yuan, 20 yuan for kids (including all tickets). **Tel:** fengcheng@chinesecultureclub.org or 8851 4913 for reservation.

**YPHH**

Moet & Chandon Night. Four glasses of champagne for 175 yuan. **Where:** Mirror Palace, East Garden, Great

the Philippines. **Where:** Poly Theater, 14 Dongzhimen Nandajie. **When:** August 16 and 17, 7:30 pm. **Admission:** 80-280 yuan, 480 yuan VIP. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english.



Snow Mountain Music Festival

**Snow Mountain Music Festival**

China's first outdoor music festival will be held at the foot of Jade Dragon Snow Mountain, Lijiang, in Yunnan Province. Dozens of local and international acts will perform, including Cui Jian, Zi Yue, Wang Lei, Secondhand Roses, Wild Kids, Birgit and Systex. **When:** August 17 and 18. **Admission:** 180 yuan (August 17), 150 yuan (August 18), 280 yuan for two days. **Tel:** 6211 2143 (Liang Xiao).

**Where:** Qin Gallery, 1-1-E, Huawei-li, Chaoyang District (north of Beijing Curio City). **When:** till August 7. **Admission:** free. **Tel:** 8779 0461.

**Small Chinese Water & Ink Paintings**

**Where:** Melodic Art Gallery, 14 Jianwai Dajie (opposite the Beijing Friendship Store). **When:** Till the end of August, 9 am - 5 pm. **Admission:** free. **Tel:** 6515 8123.



Painting by Sun Huili

**Sun Huili August Exhibition**

Graduated from Central Academy of Fine Arts, Sun now is a post graduate student majoring in printmaking there. **Where:** New Millennium Art Gallery, Xin 2, Diyang Tower, Dongsanhuan Beilu. **When:** August 3-17, 9 am - 7 pm. **Opening reception:** August 3, 3-7 pm. **Admission:** free. **Tel:** 8453 6193.



Wind – installation art by Hong Lei

**Chinese Skin Texture**

More than 30 new works from 2000 including photos, painting, video and installations by Hong Lei. **Where:** Chinese Art Archives & Warehouse, east side of the Tiedaoqiao, Caochangdi Cun. **When:** Tue - Sun, 1-6 pm. **Tel:** 8456 5152.

## Movies



Spring in a Small Town

**Thursday Movies – Spring in a Small Town**

Directed by Tian Zhuangzhuang, starring Hu Jingfan, Xin Boqing and Wu Jun, 2002. In a small town in southern China, a young couple lead a simple and quiet life. Things become complicated when the husband's old classmate, who is also the wife's former lover, comes back to the town. **Where:** Dongchuang Cinema, 3 Xinzhong Jie, Dongzhimenwai. **When:** August 8, 15, 22, 29, 8:30 pm. **Admission:** 30 yuan. **Tel:** 6415 7332, 6416 9253.

**L'albero degli zoccoli (The Tree of Wooden Clogs)**

Directed by Ermanno Olmi, starring Luigi Omaghi, Francesca Moriggi, 1978. Italian with English subtitles. Neither overly dispassionate in its framing nor too earnest in stoking emotional responses, *The Tree of Wooden Clogs* strengths lie in its record of everyday existence in a now bygone era. Families squabble, children play, and individuals connive to get ahead, but above all, all are aware of themselves as subjects of a God who brings them hardship and joy in equal measures. **Where:** Cultural Office of the Italian Embassy, 2 Sanlitun Dong'erjie. **When:** August 8, 7 pm. **Admission:** free. **Tel:** 6532 2187.

**A Bright Summer Day**

Directed by Edward Yang, starring Zhang Zhen, Yang Jingyi, Wang Qizan, 1991. A

story about many young people **Where:** Space for Imagination Coffee House, 5 Xi-wangzhuang Xiaoku, Haidian District (opposite the east gate of Qinghua University). **When:** August 3, 7 pm. **Admission:** 5 yuan. **Tel:** 6279 1280.



A Bright Summer Day

**Korean Movies**

*Christmas in August* and *Bichunmu*. Directed by Heo JinHo, 97 minutes. Directed by Kim YoungJoon, starring Shin HyunJoon, Kim HeeSun, Jung JinYoung, Jang DongJik, 125 minutes. **Where:** Cultural and Press Dept of the Korean Embassy, 5F, Hyundai Millennium Tower, 38 Xiaoyun Lu, Chaoyang District. **When:** August 2, 5 pm, Christmas in August; August 9, 5 pm, Bichunmu. **Admission:** free. **Tel:** 8453 8112/3/4.



Bichunmu

## Sculpture

**2002 China Beijing International City Sculpture Art Exhibition**

120 sculptures will be displayed in Beijing International Sculpture Garden. From July 27 to September 7, artists are making artworks on the spot. **Where:** 2 Shijingshan Lu, West Chang'an Avenue, 12 kilometers west of



Fable Series Sculpture by Zhang Dasheng

Tian'anmen Square. **When:** till October 18. **Tel:** 6868 5474.

## Sports

**2002 Libaojian Cup Celebrity Golf Competition**

Sponsored by Shanghai Dazhengli Health Care Co. and Dongshi Culture Group. Many movie stars, celebrities and representatives of famous companies as well as sports stars will attend the opening ceremony. They will also take part in the competition, which aims at promoting the concept of healthy living. **Where:** Beijing International Golf Club, north of the Shisanling Reservoir. **When:** August 4, 1 pm, other activities from 3 pm, evening party from 6 pm. **Tel:** 6076 2288.

**Beijing Hash Events**

**Hares:** Glenda and Cathy

"Splash" the swimming pool will be available after the hash. So better bring swimming suits. Food is provided by the Sino-Swiss Hotel. **Where:** meet at Mexican Wave at 3:30 pm, or Sino-Swiss at 4 pm. **When:** August 4. **Fee:** 100 yuan. **Email:** RDRhead@uop.com (Rick).

**A Long Way to Walk and Catch the Train or Have a Swim**

**Where:** Miyun and Pinggu County, northeast of Beijing. **When:** August 4. Pick up: 8:30 am at the Lido, outside Starbucks, 9 am at Capital Paradise (front gate). **Email:** bjhikers@yahoo.co.uk

**Football**

August 2, 8 pm and 9:45 pm, Arsenal vs Chelsea, Man United vs Tottenham; August 3, 8 pm and 9:45 pm, Juventus vs Roma, Barcelona vs Real Madrid; Au-

gust 4, 8 pm and 9:45 pm, Derby County vs Man United, Arsenal vs Tottenham. **Where:** The Club Football Center, Red House, Dongzhimenwai Dajie. **When:** August 2-4. **Tel:** 6417 0497.

**Li Ning Cup China International Gymnastics Matches**

China, Romania, Russia, US, France, Ukraine and other countries will take part. Many gymnastics stars will perform. **Where:** Capital Steel Basketball Center, east exit of Yangzhuang, Fushi Lu, Shijingshan District. **When:** August 17-19. **Admission:** 30-100 yuan, 800 yuan box ticket. **Tel:** 6528 7675/6528 7750 ext. 198/508. **Tickets:** www.piao.com.cn/english.



Li Ning Cup Gymnastics Match

## Massage

**Aixin Massage Keep-fit Center**

1) **Add:** Room 202, Building 1, Fuli-huayuan, 40 Maizidian Jie, Chaoyang District. **Open:** 11 am - 11 pm. **Tel:** 6502 3633. 2) **Add:** 2A Baijiazhuang Lu, Chaoyang District. **Open:** 11 am - 11 pm. **Tel:** 6595 0997.

**Heping Keep-fit Massage Center**

**Add:** 6 Fangyuan Xilu, Chaoyang Dis-

## Food

**Promotion at China World Hotel**

His Party – Get satisfied with cocktail affairs. **Where:** Aria Bar, China World Hotel. **When:** August 24, 7:30-11:30 pm. **Price:** 100 yuan per person (two cocktails and light bite). **Tel:** 6505 2266 ext. 36.

Delighted Course. Shot of plum wine, two appetizers, salmon sashimi, belly part of pork with special sauce, assortment of tempura or beef komi yaki, rice and noodle, dessert. **Where:** Nada-

mann, China World Hotel. **When:** August. **Price:** 368 yuan per person. **Tel:** 6505 2266 ext. 39.

**Season's Garden Salads**

Seasonal garden greens such as the light, cool and full of flavor vegetarian garden salad with French berries and oranges, salad of mango and papaya with grilled lobster. **Where:** French Bistro, Great Wall Sheraton Hotel. **When:** August. **Tel:** 6590 5566 ext 2119.





Shahe snapshot

Photos by Du Jialin

Outdoor Actions

Leisurely Getaway



Photo by Li Shuzhuan

Park Preserves Popular Pastime

By Jiao Pei

It's said to be completely painless. When a katydid trills are too shrill, the owner drips a magic liquid on the stridulating organs of the forewings of the male.

The cinnabar-copper and rosin tonic has to hit the right spot to achieve the results. And pet lovers across China actually pay for this service.

The resonant results can be sampled at the Singing Insects Tea House in Yuyuantan (玉渊潭) Park, which opened on July 12. Manager Dai Yunqing, 58, of Wuxi, Jiangsu Province has the scoop on a tradition that dates back to the Ming Dynasty (1368-1644).

Poor people sometimes even supported themselves by raising insects in the Qing Dynasty (1644-1912), he says.

"The lifespan of katydids is about half a year," says Dai. "The price of a grasshopper depends on the different seasons. In winter, the price is high. Nowadays, at some morning markets, the insect markets and Panjiayuan Market, katydids can be found sold at various prices. Most are cheap."

They usually come in a cage made of grass or calabash, he says. And katydids are the ultimate low-maintenance pets. A single soybean or a slice of cucumber will suffice for its daily nutritional needs.

The outdoor teahouse sits in the long afternoon shadows near the south gate. Nearby, three wharfs offer various boat rides and there's also a swimming pool.

Tip: This is an ideal time to visit, as near the south gate of Yuyuantan Park is the Chinese Millennium Monument (世纪坛), hosting the current Daly exhibition. Admission: 50 yuan.

Getting to Yuyuantan Park: East Gate, bus 320, 114, 717 to Yuyuantan; West Gate, bus 300 to Hangtianqiao (航天桥), bus 323, 374 to Fuchenglu (阜成路); South Gate: bus 1, 4 or subway to Junbo (the military museum). Open: 6am-9:30pm. Tel: 6851 4447 ext. 209.

By Jiang Zhong

The Badaling Expressway has cut a swathe through the original charms of Shahe, but the ancient city remains well known to lovers of folk ballads and even drinking games.

Gonghua (巩华) Temporary Palace, however, offer nothing but disappointment. The palaces of the emperors and empresses have disappeared. Military defenses have been transformed into civilian facilities.

Complexes once used to station troops now act as shelters for chickens and pigeons. The former armory is now stuffed with motorcycles and old furniture.

The city's historic wall surrounds brand-new single-storey houses where men hold babies in their arms as women work the fields outside.

Leave the wall behind and head north to the city's reservoir—our second destination for this tour. Here locals scoop water moss with fishing nets to feed their pigs.

Photographers pitch tents along the banks and snap wild ducks and herons normally too sensitive to pose for the camera.

Tsinghua student Liu Wei has stayed here since the beginning of the summer holiday. His beard offers testament.

"I haven't shaved since early July," says Liu. "I haven't washed my face with soap because the fragrance can be detected too easily by the sensitive birds."

His lens came from his school's optical lab. "I cannot afford an expensive lens from the shop's shelves. So I made a lens with my classmates. It can zoom in on birds at quite a distance."

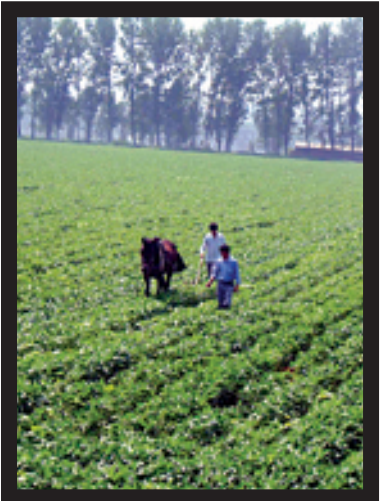
Hiking around the reservoir guarantees amazing photo opportunities. The reservoir ends at the junction with the highway branching off to the expressway. From there, one can see the more charming side of the ancient Gonghua



Cixi liked Xiguanshi



Gonghua Palace on the horizon



Primary farming

Palace.

Ruins of the earthen walls prove the temporary palace once belonged to a more splendid city. Women rest in the shadows of the walls. Beside them, tombs of the villagers' ancestors are covered with wild flowers.

Take the highway again and drive north to the Jingmi Canal. Following the water's course from the Miyun Reservoir to the capital.

A new road has been laid alongside the canal. But the muddy old road is also preserved on the other side. Take the road, most traveled.

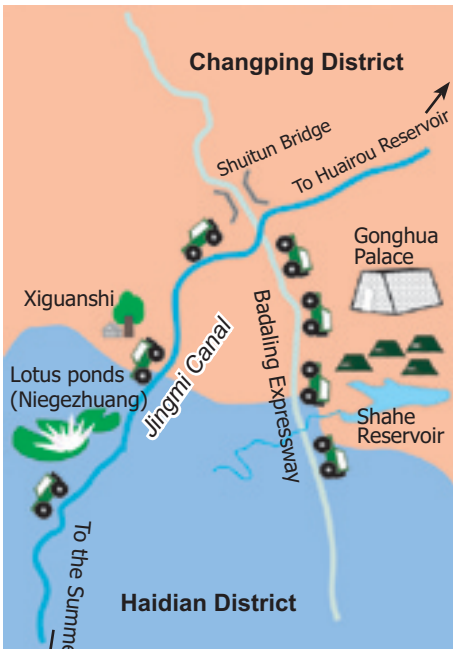
Aspens line both sides of the old road. Rural scenery sometimes pokes from behind the curtain of tall trees on both sides. Fifty minutes' drive on the muddy road following the magpies leads to the Muslim village of Xiguanshi (西贵市).

Villagers here retain their Muslim lifestyle. A placard adorned with intricate patterns hangs over the door of each family with the Muslim characters "Allah is Always With You."

Xiguanshi was once one of Empress Dowager Cixi's favorite summer resorts. She loved the scenery and ordered architects to build Ruyizhuang (如意庄 Village of Blessing) of the Summer Palace in the style of Xiguanshi residences.

Li Jiyan, 56, is on his way to visit the imams. "I send goats to the ahung (阿訇 imam). Only mutton processed by the ahung can be placed on the villagers' dining table. Mutton processed by the ahung tastes smooth and good."

Beside the village, the capital's largest instant-boiled mutton restaurant serves Muslim dishes. Yangfang (阳坊) Shuanrou (instant-boiled mutton) branch restaurants are scattered across the capital city, but Xiguanshi has the head office. On top of the



dishes, they also offer dancing and singing.

After a Muslim meal at the restaurant, drive along the canal into Haidian District. Women from outside the provinces sell lotus flower and seedpods by the road through Niegazhuang (聂各庄).

The lotus ponds behind them are worth a visit. Such lotus ponds are also to be found in the final stage of the journey at the Summer Palace. If the crowds of the imperial park do not compromise your interest, a leisurely stroll will supply an excellent footnote to this long jeep journey.

Tips: Because of the muddy track, this journey suits jeep enthusiasts. There is no swimming and fishing at the canal.

Taekwondo A-go-go

By Jiang Zhong

To celebrate the 10th anniversary of diplomatic relations between South Korea and the People's Republic of China, there will be two taekwondo performances in Beijing:

When: August 6-7 Where: Ditan Gymnasium (地坛体育馆)

Schedule: Rehearsal in the morning, performance at 2pm. To buy tickets, contact Xu Fang at 6618 6132

For those wanting to explore taekwondo a little further in Beijing, there are gymnasiums and clubs scattered across the city:

AoBo (奥博) Taekwondo Club

Address: 1, Anding Road (安定路), Andingmenwai (安定门外), Chaoyang District Tel: 6491 0232

J&F (杰芳瑞) Taekwondo Club



Address: 20, Shouti Nanlu (首体南路), Haidian District Tel: 8835 4042, 8835 5221

Address: Sigma (希格玛) Building, 49, Zhichunlu (知春路), Haidian District Tel: 8809 6705

Hongcheng (鸿程) Sports Cultural Exchange Center

Address: first floor of Xijiekou (新街口) Cinema, 69, Xizhimennei Dajie (西直门内大街), Xicheng District Tel: 6225 6721

YMCA (Young Men's Christian Association)

Address: ninth floor of YMCA Building, 3, Dongdan Beidajie (东单北大街), Dongcheng District Tel: 6528 7720

Kangjin (康金) Fitness Club

Address: 68, Nanxiaojie (南小街), Xizhimen (西直门), Xicheng District Tel: 6613 2828

Lake Tempts All Sorts

By Jiang Zhong/Yang Yang

Ornithologists, campers, hikers, botanists, swimmers, sailors, fishermen, loners and nomads come here.

In ancient times, it was known as the "Western Sea", and in Tibetan it is known as "Koko Nor"



Bird Island

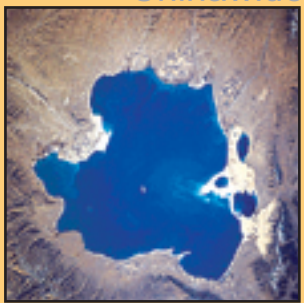
(Blue Lake). China's largest salt-water lake will host the weeklong Tour of Qinghai Lake Cycle Race which opens July 27.

Perched 3,200 meters above sea level and sandwiched between the Hainan and Haibei Tibetan Autonomous Prefectures, this huge expanse of deep, salty liquid is literally "Blue Sea Lake" in Chinese.

The beauty here lies in its salty vastness and the remote peace that it instills. The colors that can be found around the lake are of purity and contrasts, from the deep yellows of oil seed rape against the cold blues of the lake to the dark greens of distant mountains against the fluffy white of bilious clouds.

Highlights include Bird Island, a peninsular in the westernmost part of the lake and the most impressive sight, especially in season. The cuisine at the lake is also of interest, composed of variations on a fish theme. Especially notable is the naked carp, whose tender flesh is served in most local restaurants and hostels.

Chinawide



Satellite shot